



Competency-Based  
Competitive Events  
\*Written Exam\*  
for State/Province Use

Test Number 1252  
Booklet Number \_\_\_\_\_

# Marketing Cluster Exam

AAM – Apparel and Accessories Marketing Series Event  
ASM – Automotive Services Marketing Series Event  
BSM – Business Services Marketing Series Event  
BTDM – Buying and Merchandising Team Decision Making Event  
FMS – Food Marketing Series Event  
IMCE – Integrated Marketing Campaign–Event  
IMCP – Integrated Marketing Campaign–Product  
IMCS – Integrated Marketing Campaign–Service  
MCS – Marketing Communications Series Event  
MTDM – Marketing Management Team Decision Making Event  
PSE – Professional Selling Event  
RMS – Retail Merchandising Series Event  
SEM – Sports and Entertainment Marketing Series Event  
STDM – Sports and Entertainment Marketing Team Decision Making Event

**INSTRUCTIONS:** This is a timed, comprehensive exam for the occupational area identified above. Do not open this booklet until instructed to do so by the testing monitor. You will have \_\_\_\_\_ minutes to complete all questions.

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1. The ZRB Company promises to ship LST Inc. 200 units of product by a certain date, and LST Inc. promises to pay ZRB \$25,000 for the product within 14 days of receipt. This is an example of a(n)
  - A. defensible agreement.
  - B. exempt contract.
  - C. executed agreement.
  - D. bilateral contract.
2. One of the primary purposes of customs regulations is to
  - A. prevent illegal materials from exiting or entering a country.
  - B. standardize a country's higher education system.
  - C. organize the domestic economy by industry sector.
  - D. make it more difficult for illegal immigration to occur.
3. A manufacturer of draperies sells them to Sears, which, in turn, sells them to a customer. This channel of distribution transports goods from producer to
  - A. agent to retailer.
  - B. retailer to consumer.
  - C. consumer.
  - D. wholesaler to retailer to consumer.
4. Information technology has dramatically improved supply chain management capability by creating a seamless distribution process for matching
  - A. inventory needs to distribution centers.
  - B. inventory needs to customer requirements.
  - C. costs with expenses.
  - D. customer requirements with product innovation.
5. Which of the following businesses is most likely to violate antitrust laws if it insists on an exclusive dealing agreement:
  - A. The buyer
  - B. A small startup
  - C. Horizontal business partners
  - D. A firm with dominant market power
6. Chadwell's Toy Palace is planning a "buy one, get one free" sale for some popular toys. What will the store need to do to ensure that there are enough products available to meet the changing demand?
  - A. Change the distribution strategy from selective to intensive
  - B. Hire additional warehouse staff for the duration of the sale
  - C. Purchase higher quantities of the sale items in a timely manner
  - D. Send copies of the promotional literature to the store's vendors
7. Which of the following is a common reason for horizontal conflict among distribution channel members:
  - A. Direct distribution
  - B. Transportation issues
  - C. Territorial boundaries
  - D. Shipping errors
8. People's Bank recently partnered with a local supermarket chain to offer a special rewards credit card for supermarket customers. Both the bank and the supermarket hope to gain more customers from the relationship. This is an example of
  - A. mutual advertising.
  - B. affinity marketing.
  - C. company partnership.
  - D. dual promotion.
9. When preparing for a speech, it's most important to
  - A. write note cards.
  - B. design visual aids.
  - C. plan your appearance.
  - D. practice.
10. After Lana finishes writing the promotional copy for a direct-mail letter, she plans to proofread and edit her work on her computer. What technique should Lana use to determine if the text is clear and logical?
  - A. Reading the text aloud
  - B. Reading the text backwards
  - C. Correcting grammatical mistakes
  - D. Correcting punctuation errors

11. The use of email may put a business at more risk than memos or letters stored as paper records because
  - A. email users may use slang or make embarrassing remarks.
  - B. email users may make careless spelling errors.
  - C. email communications are more difficult to secure.
  - D. email communications contain confidential information.
12. If a manager wants to be sure they correctly interpret their employees' nonverbal cues, how should they communicate with them?
  - A. By email
  - B. By phone
  - C. Face-to-face
  - D. Through an office-wide memo
13. Tony, a salesman, often matches his communication style to his customers' to make them feel more comfortable and relaxed during their conversations. In this example, Tony is
  - A. appreciating the customers' point of view.
  - B. finding common ground with customers.
  - C. being empathetic toward customers.
  - D. using mirroring to develop rapport.
14. In the modern business world, a growing number of interactions between businesses and customers are taking place
  - A. through the mail.
  - B. over the phone.
  - C. in stores.
  - D. online.
15. Sugar and flour that are purchased to make baked goods are classified as
  - A. supplies.
  - B. installations.
  - C. materials.
  - D. parts.
16. ABC Corporation recently held a series of executive meetings where company leaders discussed several "big-picture" questions about the business's future. These questions included "Is the company headed in the right direction?" and "Is the company likely to experience long-term success?" Which primary business activity were the company leaders a part of?
  - A. Financial analysis
  - B. Strategic management
  - C. Human resources management
  - D. Information management
17. Which of the following factors have provided businesses with more opportunities to buy and sell products at the international level:
  - A. Protectionism
  - B. Free trade agreements
  - C. Language barriers
  - D. Strict safety standards
18. Why are government regulations that control how businesses use natural resources developed?
  - A. To stabilize the economy
  - B. To encourage workplace safety
  - C. To protect the environment
  - D. To seize business property
19. When calculating the gross domestic product for the nation, what category would items such as a business's new delivery truck, office furniture, and computer equipment come under?
  - A. Government purchases of goods and services
  - B. Personal consumption expenditures
  - C. Net exports of goods and services
  - D. Gross private domestic investment
20. Assessing your personal strengths and weaknesses in an objective way involves
  - A. comparing your attributes with others' skills and talents.
  - B. basing a strength or weakness on one isolated incident.
  - C. looking for behavior patterns that occur regularly over time.
  - D. working to improve most of your weaknesses at one time.
21. One of the drawbacks of communicating without words is that it is
  - A. sometimes misunderstood.
  - B. hard to learn.
  - C. too precise.
  - D. not effective.

22. When you're assigned a project, your boss takes the time to clearly explain the instructions to you. As a result, you're able to finish your project much sooner and with fewer mistakes. Which benefit of open and honest communication are you experiencing?
- A. A good reputation
  - B. Increased sales
  - C. Better ideas
  - D. Increased productivity
23. When an audience member raises an objection, you should
- A. pretend that you didn't hear them.
  - B. maintain your composure.
  - C. attempt to change the subject.
  - D. explain that they are wrong.
24. Determine the reason for the following conflict: As Matthew was leaving the office to go to an important dinner meeting, his manager asked him to work late on a project with a tight deadline.
- A. Competing situations
  - B. Unclear expectations
  - C. Unclear boundaries
  - D. Miscommunication
25. What is the benefit of shared vision to an organization?
- A. It creates a competitive environment.
  - B. It ensures that the team's goals are achievable.
  - C. It serves as a guide for decision-making.
  - D. It supports a groupthink attitude.
26. Mia makes a conscious effort to dress professionally, arrive at work on time, work late when necessary, take on extra assignments, and be respectful of and helpful to influential employees. As a result of Mia's professional dedication, the company has implemented many of her ideas. This is an example of an employee using \_\_\_\_\_ to achieve organizational goals.
- A. reciprocity
  - B. impression management
  - C. excessive flattery
  - D. codependency
27. If one of your coworkers is treating another coworker unfairly, what is the ethical thing to do?
- A. Speak up.
  - B. Ignore it.
  - C. Be aggressive.
  - D. Look for another job.
28. Because Elise paid her monthly credit card bill on April 16 instead of April 4, the credit card issuer added a \$25 charge to her May billing statement. This is an example of a(n) \_\_\_\_\_ fee.
- A. annual
  - B. late
  - C. balance transfer
  - D. cash advance
29. Fiona made a \$500 donation to a local homeless shelter last year. When she prepares her personal income tax form, she can claim the donation as part of her
- A. public property.
  - B. tax deductions.
  - C. living expenses.
  - D. discretionary income.
30. Rossi is buying a new computer for \$363 with his credit card. The credit card has a rate of 24% and uses an adjusted balance method to calculate interest. The credit card company begins charging interest on Rossi's purchase during the first billing period. If Rossi makes a payment of \$200 for the first billing period and pays the remaining amount for the second billing period, how much total interest will Rossi pay?
- A. \$7.26
  - B. \$14.52
  - C. \$10.67
  - D. \$12.31
31. Which of the following statements is true of retirement plans:
- A. Employees cannot access their own contributions prior to retirement.
  - B. A 401(k) is a type of defined contribution retirement plan.
  - C. Retirement plans are only necessary for older employees.
  - D. Employers are legally required to offer retirement plans.
32. If a business wants to prepare reliable financial reports, it must be
- A. neutral.
  - B. partial.
  - C. certified.
  - D. supervised.

33. The best source for data about the goods and services a company needs to buy for its own operation is its
- A. vendors.
  - B. sales team.
  - C. customers.
  - D. competitors.
34. Which of the following is a limitation of a marketing-information system:
- A. It updates too quickly during times of business change.
  - B. It eliminates marketers' jobs.
  - C. It's expensive to implement.
  - D. It's very difficult to train employees on its use.
35. Cecelia started seeing ads on various websites for a pair of shoes that she almost bought online. This is because of
- A. deception.
  - B. big data.
  - C. confidentiality.
  - D. transparency.
36. For legal purposes, what should a business do when it collects marketing information from its online customers?
- A. Post its privacy policies on its website
  - B. Develop confidential selling strategies
  - C. Purchase surge-protection insurance
  - D. Store the information at an insecure site
37. When conducting marketing research, what is the first step of the process?
- A. Develop a hypothesis
  - B. Identify the reason for the research
  - C. Make recommendations based on findings
  - D. Collect the needed data
38. Researchers are studying a company's past sales invoices as part of their current marketing research project. The sales invoices are examples of
- A. primary data.
  - B. relevant variables.
  - C. secondary data.
  - D. units of analysis.
39. Marketers have developed a hypothesis, and they want to test it. Which of the following research designs is most appropriate in this situation:
- A. Descriptive research
  - B. Exploratory research
  - C. Causal research
  - D. Statistical research
40. What type of marketing data can a business obtain by reviewing its inventory reports and customers' invoices?
- A. Product quality
  - B. Customers' credit limits
  - C. Customers' product preferences
  - D. Actual market share
41. Which of the following is a tool used in the tracking method of data collection:
- A. Customer loyalty cards
  - B. Experiments
  - C. Interviews
  - D. Questionnaires
42. Neutral survey items are simple, nonthreatening questions that establish rapport and put the respondent at ease. Neutral questions should be placed
- A. in the middle of the survey.
  - B. at the beginning of the survey.
  - C. at the end of the survey.
  - D. in a separate postsurvey questionnaire.
43. Gabby is beginning to analyze data from a marketing research survey when she realizes that a participant's entry is incomplete. What should she do before deciding to delete that entry?
- A. Complete a regression imputation
  - B. Try to recover the missing information
  - C. Make sure the error was not random
  - D. Delete the incomplete questions
44. Ralph is a marketing statistician who is examining data gathered from a recent survey. The survey asked men ages 18-35 how often they shave in a given week. Most men said they shave every day, or 7 times a week. The number 7 in this data set would be the
- A. kurtosis.
  - B. mean.
  - C. median.
  - D. mode.

45. An individual returns a marketing research survey that contains unanswered questions. This is an example of a(n)
- A. nonresponse error.
  - B. interviewer oversight.
  - C. mathematical miscalculation.
  - D. rating mistake.
46. Why should marketing researchers use more than one method to acquire data?
- A. Because multiple methods will give a more accurate picture of customer behavior
  - B. Because customers may not like certain methods of marketing research
  - C. Because certain methods of marketing research are known for being inaccurate
  - D. Because individual marketers may not like certain methods of marketing research
47. Consumers make buying decisions based on
- A. laws.
  - B. technical support.
  - C. perception.
  - D. objective reality.
48. Alex is an 18-year-old high school student who enjoys soccer and music. Both of his parents are highly educated and have professional careers. Which of the following details about Alex is an example of psychographic information:
- A. He is 18 years old.
  - B. His parents are highly educated.
  - C. He is a high school student.
  - D. He enjoys soccer and music.
49. SWOT analysis is an important part of the \_\_\_\_\_ process.
- A. hiring
  - B. marketing planning
  - C. staff training
  - D. inventory buying
50. A marketing plan forces the marketing team to put its goals in writing, making those goals
- A. less risky.
  - B. less specific.
  - C. better than those of competitors.
  - D. easier to remember.
51. Which of the following is an advantage of quantitative sales forecasting:
- A. It's perfect for new businesses.
  - B. It's cheap.
  - C. It provides a "human touch."
  - D. It's reliable.
52. Paul, an information technology (IT) manager, uses his ability to access customer information databases to steal credit card numbers. This is an example of which ethical issue related to information management?
- A. Click fraud
  - B. Copyright infringement
  - C. Cybercrime
  - D. Data loss
53. What type of system synchronizes sales and marketing efforts?
- A. Customer relationship management
  - B. Transaction processing
  - C. Supply chain management
  - D. Decision support
54. The purpose of data mining is to
- A. keep employees engaged.
  - B. locate potential customers.
  - C. monitor the activity of competitors.
  - D. turn raw data into useful information.
55. Consumers sometimes choose to support or boycott a business based on the business's stance on controversial issues such as abortion or same-sex marriage. Businesses that these customers support or boycott are being impacted by
- A. society and culture.
  - B. demographics.
  - C. the government.
  - D. competition.
56. All employees can help maintain a safe work environment by
- A. cleaning up toxic waste when they see it.
  - B. performing their daily duties in a timely manner.
  - C. replenishing supplies when they are needed.
  - D. reporting noticeable hazards to management.

57. Because Kendra must finish a task and submit her work to Joshua so he can complete his part of the project by next Thursday, these two team members' jobs are
- A. interdependent.
  - B. complex.
  - C. autonomous.
  - D. bureaucratic.
58. Which of the following is a benefit to the business of automating the production process:
- A. Less consumer demand
  - B. Increased capital investment
  - C. Increased efficiency
  - D. Reduced computerization
59. The Six Sigma model involves continuously implementing activities that
- A. improve quality and reduce inefficiencies.
  - B. promote consistency and eliminate resources.
  - C. stimulate revenue and lessen decision-making.
  - D. influence regulation and decrease outputs.
60. Which of the following is a benefit of supply chain management:
- A. More complex processes
  - B. Cost savings
  - C. Low inventory levels
  - D. Increased risk
61. Before you can reach a goal, you must first \_\_\_\_\_ an appropriate one.
- A. select
  - B. complete
  - C. fulfill
  - D. adjust
62. Carly is inventive, imaginative, and innovative. In other words, she is able to develop something original, see something that's "not there," and make changes or improvements to old ways of doing things. Carly could best be described as
- A. a troublemaker.
  - B. independent.
  - C. a rule-follower.
  - D. creative.
63. Which of the following business career fields would be best suited for someone who enjoys planning, organizing, and coordinating:
- A. Banking services
  - B. Professional selling
  - C. Marketing communications
  - D. Operations management
64. An employee's role in helping a business meet its organizational goals is affected by the employee's
- A. benefits package.
  - B. job responsibilities.
  - C. comfort with risk.
  - D. networking abilities.
65. Tania's main job duties include organizing focus groups, product tests, and surveys. Tania likely works in
- A. public relations.
  - B. customer service.
  - C. sales.
  - D. marketing research.
66. If a pharmaceutical company sets an unnecessarily high price for a lifesaving drug, it is behaving in a(n) \_\_\_\_\_ manner.
- A. socially irresponsible
  - B. economically justifiable
  - C. conscientious
  - D. charitable
67. Pricing-analytic software applications enable businesses to
- A. identify favorable pricing strategies.
  - B. automate pricing processes among channel members.
  - C. simulate the impact of pricing changes.
  - D. generate price lists for different customers.
68. The strawberry crop was severely damaged by a late frost this year. The selling price of a quart of strawberries has been set 50 cents higher this year than last. Which of the following factors affected the price of strawberries:
- A. Competition
  - B. Costs of production
  - C. Supply and demand
  - D. Product life cycle

69. Which of the following areas of product/service management is important in attracting customers and in protecting products:
- A. Idea generation
  - B. Concept testing
  - C. Labeling
  - D. Packaging
70. Which of the following is a reason that many products go into decline:
- A. The market is saturated.
  - B. Customer tastes stay the same.
  - C. No better products are available.
  - D. They are outlawed by the government.
71. When marketers focus on a product's appearance as opposed to the product's function, they help create
- A. industrial sales.
  - B. institutional advertisements.
  - C. planned obsolescence.
  - D. packaging issues.
72. In the past several years, Jenny noticed that many younger people have moved from her town to larger cities and that a large segment of the town's citizens are reaching retirement age. Jenny realized that there is a growing need for a variety of home health care services for the town's senior citizens. What factor presented Jenny with this product opportunity?
- A. Demographic changes
  - B. Personal attitudes
  - C. Geographic limitations
  - D. Economic resources
73. Gwen is a very logical and analytical person who likes to develop new ideas using structured, organized techniques. Based on this information, Gwen is most likely to prefer \_\_\_\_\_ thinking ideation methods.
- A. philosophical
  - B. lateral
  - C. programmed
  - D. artistic
74. A primary role of the facilitator in a group brainstorming session that is generating product ideas is to
- A. improve relationships.
  - B. evaluate each idea.
  - C. lead the debate.
  - D. encourage participation.
75. When a manufacturing company decides how many parts should be in each box, what the quality of those parts should be, and how quickly employees should make the parts and package them, it is setting product
- A. grades.
  - B. standards.
  - C. sales.
  - D. costs.
76. What can businesses do to reduce risks associated with personal injuries and product damage due to improper product use?
- A. Use recyclable packaging
  - B. Offer a service guarantee
  - C. Implement a return policy
  - D. Provide detailed written instructions
77. Which of the following is an example of a business that uses product class as a positioning strategy:
- A. Emphasizing a 100,000-mile car warranty
  - B. Associating an artificial sweetener with sugar
  - C. Focusing on the value of a line of cosmetics
  - D. Communicating a resort's luxury services
78. Elyza usually buys the same brand of chocolate, but if her favorite brand isn't available, she'll try another brand. Elyza demonstrates brand
- A. mark.
  - B. recognition.
  - C. preference.
  - D. insistence.
79. A department store sells clothing from brands like Levi's, but it also sells its own store brands of clothing, also known as \_\_\_\_\_ brands.
- A. value
  - B. corporate
  - C. private
  - D. business



80. Decisions about positioning a company's corporate brand are significantly influenced by its
- A. trademark.
  - B. trade character.
  - C. buyers.
  - D. products.
81. Marcy would like to learn more about VaccuFresh vacuum cleaners, so she goes to the company's website and begins a live chat with a service representative. From VaccuFresh's perspective, Marcy's online chat is a(n)
- A. marketing strategy.
  - B. customer touchpoint.
  - C. customer analysis.
  - D. advertising success.
82. The communication of information about goods, services, images, and/or ideas defines
- A. promotion.
  - B. cultural trends.
  - C. message channels.
  - D. demand.
83. Which of the following is an example of publicity:
- A. A radio announcer delivers a paid message about the grand opening of a business.
  - B. Free samples are given to customers entering a business.
  - C. A fashion show highlighting the latest in bridal fashions is held.
  - D. An author appears on a talk show to discuss their new book.
84. Which of the following examples is most likely to stimulate ethical controversy in terms of promotion:
- A. A manufacturer works with its dealers to develop a national sweepstakes promotion.
  - B. A television station runs several beer commercials during prime-time viewing hours.
  - C. A retailer places advertisements in newspapers announcing early-bird specials during a sale.
  - D. A radio station broadcasts public service announcements that inform the public about health issues.
85. When a business sets up a Facebook account to communicate with its existing and potential customers, what technological tool is it using?
- A. Affiliate advertising
  - B. Broadcast media
  - C. Just-in-time marketing
  - D. Social networking
86. Which of the following is an example of a deceptive promotional practice:
- A. Advertising goods even though there isn't enough stock to meet expected demand
  - B. Representing goods and services accurately and truthfully in sales materials
  - C. Requiring all salespeople to adhere to company ethics policies while on the job
  - D. Publishing a job listing even though the position will be filled by a current employee
87. Many small food markets advertise primarily in suburban newspapers because of the
- A. low cost.
  - B. competitive environment.
  - C. long life.
  - D. reproduction quality.
88. What is an example of an amplified word-of-mouth strategy?
- A. A company asks customers to share product reviews on a website.
  - B. Fans share the release date for a new product on Facebook.
  - C. Customers post comments about a company on Twitter.
  - D. A customer shares their opinion of a new product with a friend.
89. Martin is in the checkout line at the grocery store when he sees an eye-catching display of candy bars. He realizes that he's hungry, so he grabs one for the ride home. The candy bar display in the checkout aisle is an example of
- A. a free-standing insert.
  - B. point-of-sale marketing.
  - C. a consumer sweepstakes.
  - D. a trade-in promotion.
90. A print ad photograph that shows tents erected in a forest is focusing on the
- A. product in an appropriate setting.
  - B. benefits of using the product.
  - C. product actually being used.
  - D. details and features of the product.

91. An important activity performed by a business's public relations staff is
- A. market segmentation.
  - B. crisis management.
  - C. territory development.
  - D. talent acquisition.
92. A business that wants to obtain a lot of publicity about a new product should send a formal announcement to an external audience, such as the
- A. media.
  - B. managers.
  - C. employees.
  - D. board of directors.
93. RunRight and QuickStride both sell the same type of running shoes and apparel at similar prices. Jamie, however, prefers QuickStride because the employees always offer to help her find the correct size for her feet. She rarely shops at RunRight. QuickStride is using its \_\_\_\_\_ to beat its competition.
- A. employee discipline
  - B. product quality
  - C. price matching
  - D. customer service
94. Greg is giving a sales presentation when one of his customers brings up a controversial topic. Greg doesn't agree with the customer's view. Since he's committed to projecting a service attitude, Greg should
- A. argue with the customer.
  - B. change the subject or remain silent.
  - C. frown or shake his head.
  - D. laugh at the customer.
95. The largest store you sell to wants to exchange the merchandise it purchased four months ago because it hasn't sold any of the items from that shipment. Your company's selling policy states that refunds or exchanges must be made within 90 days. How should you handle this situation?
- A. Talk to your supervisor regarding the situation.
  - B. Tell the client that you did not set the policy.
  - C. Enforce the current policy.
  - D. Spend time trying to sell the client something else.
96. Which of the following would an ethical salesperson do:
- A. Make decisions based on what works best right now
  - B. Stick with the facts during a sales presentation
  - C. Manipulate potential customers into doing what the salesperson wants
  - D. Fudge expense reports when no one's looking
97. A label reads "No oiling needed." This product information refers to
- A. care and maintenance.
  - B. finishes.
  - C. use.
  - D. materials and content.
98. The salesperson says, "Mrs. Jones, the Model 2XY upright vacuum cleaner has attachments that allow you to remove dust from furniture, draperies, and ceiling fans. It also has a steamer that deep cleans carpets." This is an example of a salesperson describing the product's
- A. construction.
  - B. unique style.
  - C. durability.
  - D. multiple uses.
99. Which of the following components of the selling process is most likely to help reduce the amount of selling time required:
- A. Prescribing possible solutions
  - B. Discovering customer needs
  - C. Establishing relationships with customers
  - D. Creating a good impression of the business
100. Many customers second-guess their purchasing decisions during which stage of purchasing?
- A. Post-purchase
  - B. Pre-purchase
  - C. During-purchase
  - D. Before the need for a product is identified



**KEY**

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1. D

Bilateral contract. A bilateral contract is a mutually beneficial agreement between two parties in which both parties promise to perform certain activities. In the example, one company makes a promise to ship a certain product by a certain date, and the other company promises to pay for the product within a certain amount of time. An executed agreement is an agreement or contract that has already occurred. Exempt contract and defensible agreement are fictitious terms.

SOURCE: BL:002 Describe the nature of legally binding contracts

SOURCE: Mann, R.A., & Roberts, B.S. (2020). *Business law and the regulation of business* (13th ed.) [pp.185-186]. Boston, MA: Cengage Learning, Inc.

2. A

Prevent illegal materials from exiting or entering a country. One of the primary purposes of customs regulations is to protect a country's borders from illegal materials such as illicit drugs, weapons, or other dangerous items. Customs regulations are not put in place to standardize a country's higher education system, to make illegal immigration more difficult, or to organize the domestic economy by industry sector.

SOURCE: BL:126 Describe the nature of customs regulations

SOURCE: U.S. Customs and Border Protection. (2020, December 18). *About CBP*. Retrieved September 15, 2021, from <https://www.cbp.gov/about>

3. B

Retailer to consumer. In this situation, the draperies pass from the manufacturer (producer) directly to Sears (retailer), which then sells them to the customer (consumer). This is not an example of a direct channel (producer to ultimate consumer). Neither an agent nor a wholesaler is involved in this channel of distribution.

SOURCE: CM:003 Explain the nature of channels of distribution

SOURCE: LAP-CM-003—Channel It (Channels of Distribution)

4. B

Inventory needs to customer requirements. The heart of physical distribution is timeliness, availability, and quality. Improved information technology has made customer product information readily available, allowing for a more efficient distribution process. Matching costs with expense information is more often handled in finance management. Production innovation is not considered part of the distribution process. Distribution centers are tied to inventory needs in the distribution process and the path a product may take on its way to the consumer.

SOURCE: CM:004 Describe the use of technology in the channel management function

SOURCE: Stackpole, B. (2020, February 14). *5 supply chain technologies that deliver competitive advantage*. Retrieved September 21, 2021, from <https://mitsloan.mit.edu/ideas-made-to-matter/5-supply-chain-technologies-deliver-competitive-advantage>

5. D

A firm with dominant market power. Dominant firms may be held to a higher standard under antitrust laws due to their monopolistic potential. Small startups are less likely to violate competitive laws, as are buyers who are being locked into the agreement. Exclusive dealing only pertains to vertical business partners.

SOURCE: CM:005 Explain legal considerations in channel management

SOURCE: Chen, J. (2021, May 29). *Understanding antitrust laws*. Retrieved September 16, 2021, from <https://www.investopedia.com/ask/answers/09/antitrust-law.asp>

6. C

Purchase higher quantities of the sale items in a timely manner. Channel management is the process by which marketers ensure that products are distributed to customers efficiently and effectively. Coordinating channel management with other marketing activities is important because the store must have items available to sell to the customers. This involves ordering the appropriate amount of items and ensuring that the items are delivered to the store before the promotional event or sale. Stores that promote goods they do not have in stock often annoy the customers who want to buy the items. A selective distribution strategy is a distribution pattern in which a producer sells a product through a limited number of intermediaries in a geographic location. An intensive distribution strategy involves a producer selling a product through every available intermediary. A business would not change its overall distribution strategy for a single promotional event. Hiring additional warehouse staff and sending copies of promotional literature to vendors will not ensure that the store has enough products available to meet the demand for the items during the sale.

SOURCE: CM:007 Coordinate channel management with other marketing activities

SOURCE: Ray, L. (n.d.). *Describe the importance of sales operations & resource planning for the supply chain*. Retrieved September 16, 2021, from <https://smallbusiness.chron.com/describe-importance-sales-operations-resource-planning-supply-chain-17690.html>

7. C

Territorial boundaries. Horizontal conflicts are disagreements between channel members at the same level of distribution. Unclear territorial boundaries and violations of territorial boundaries are often sources of horizontal conflict. For example, suppose two retailers are located on the same block, and one store begins to sell the same line of specialty goods that the other store sells. Because both stores are competing for the same customers, conflict is likely to occur. Vertical conflicts are disagreements between channel members at different levels of the distribution channel. If a producer decides to use a direct distribution strategy (bypass its distributors and sell directly to end users), vertical conflict is likely to occur. Transportation issues and shipping errors may cause occasional vertical conflict.

SOURCE: CM:008 Explain the nature of channel-member relationships

SOURCE: Mack, S. (2019, March 5). *Horizontal & vertical marketing conflicts*. Retrieved September 16, 2021, from <https://smallbusiness.chron.com/horizontal-vertical-marketing-conflicts-65325.html>

8. B

Affinity marketing. Affinity marketing occurs when two companies link their brands for a mutually beneficial outcome. The relationship between People's Bank and the local supermarket chain is an example of an affinity partner relationship. Mutual advertising, company partnership, and dual promotion are not terms used to describe this type of relationship.

SOURCE: CM:021 Explain the nature of affinity partner relationships

SOURCE: Marketing-Schools.org. (2020, November 12). *Affinity marketing*. Retrieved September 16, 2021, from <https://www.marketing-schools.org/types-of-marketing/affinity-marketing.html>

9. D

Practice. Although it can be tempting to skip this step, practicing your presentation is the most important part of preparation! You should rehearse your presentation from start to finish several times over a few days. This will help you become comfortable with the material and sound more natural. While it's still important to design visual aids, plan your appearance, and write note cards, none of those things will matter much if you aren't prepared for the speech itself.

SOURCE: CO:025 Make oral presentations

SOURCE: LAP-CO-025—Well Said! (Making Oral Presentations)

10. A

Reading the text aloud. By reading the text aloud, Lana will not only see the text, she will hear it. By hearing the words, Lana can detect missing words and assess the clarity and sequence of the information. Reading text backwards helps detect misspelled words, punctuation errors, and some grammatical errors, but this activity does not help the editor clarify that content is logical and meaningful.

SOURCE: CO:089 Edit and revise written work consistent with professional standards

SOURCE: University of North Carolina Writing Center. (2021). *Reading aloud*. Retrieved September 15, 2021, from <https://writingcenter.unc.edu/tips-and-tools/reading-aloud>

11. C

Email communications are more difficult to secure. Email messages can be intercepted by unscrupulous people in a number of different ways, both physically (if either the sending or receiving device is stolen or lacking effective security features) and digitally (such as through hacking). Paper records, on the other hand, can be more easily protected using locked, fireproof cabinets and other physical storage. Poor spelling, slang, and inappropriate remarks can occur in any form of communication or documentation and should be avoided. Any business communication can contain confidential information, but the inability to effectively secure email puts any private information contained in email messages at risk.

SOURCE: CO:202 Explain how digital communications (e.g., email, text messages, chats) exposes business to risk

SOURCE: Sutherland, R. (2021, March 19). *Why you should choose a secure email provider for your business (and why you might not)*. Retrieved September 15, 2021, from <https://www.techradar.com/news/why-choose-secure-email-provider>

12. C

Face-to-face. With face-to-face communication, a manager would be able to observe their employees' nonverbal communication. This is not possible when communicating via phone, email, or office memo.

SOURCE: CO:092 Choose and use appropriate channel for workplace communication

SOURCE: UCPath Center. (n.d.). *Why nonverbal communication matters in the workplace*. Retrieved September 15, 2021, from <https://ucpathjobs.org/working-at-uc/nonverbal-communication-matters-workplace/>

13. D

Using mirroring to develop rapport. Developing rapport with customers is an important part of making a sale. One way that salespeople can build rapport is through mirroring—matching their communication style to that of the customer. This makes the customer feel more comfortable during a sales conversation. Finding common ground with customers, being empathetic, and appreciating the customers' point of view are also important methods of building rapport, but they are not demonstrated in this specific example.

SOURCE: CR:029 Develop rapport with customers

SOURCE: Mind Tools Content Team. (2021). *Building rapport*. Retrieved September 21, 2021, from <https://www.mindtools.com/pages/article/building-rapport.htm>

14. D

Online. A growing number of interactions between businesses and customers now take place online. While there are advantages to this trend, such as greater marketing opportunities for businesses and greater purchasing opportunities for customers, there are disadvantages as well. The vastness of the internet can make it more difficult for businesses to establish and nurture personal relationships with their customers. Interacting with customers over the phone, in person, or through the mail are older (but still important) types of touchpoints.

SOURCE: CR:016 Discuss the nature of customer relationship management

SOURCE: LAP-CR-016—Know When To Hold 'Em (Nature of Customer Relationship Management)

15. C

Materials. Materials are items that will become part of a finished product after they have been processed. Sugar and flour need additional processing before they become baked goods. Parts are items that will become part of a finished product without any additional processing. Installations are high-cost, long-lasting items that are used to produce other goods and services. Supplies are items that are constantly being purchased and used up in the operation of a business.

SOURCE: EC:002 Distinguish between economic goods and services

SOURCE: LAP-EC-902—Get the Goods on Goods and Services (Economic Goods and Services)

16. B  
Strategic management. Strategic management is the process of planning, controlling, and organizing an organization or department. Strategic management helps a business determine how it can succeed and reach its goals over time. Holding a series of executive meetings to answer "big-picture" organizational questions is an example of strategic management, not financial analysis, human resources management, or information management. Financial analysis is the process of planning, maintaining, monitoring, controlling, and reporting the use of financial resources. Human resources management is the process of planning, staffing, leading, and organizing employees. Information management is the process of accessing, processing, maintaining, evaluating, and disseminating business knowledge, facts, or data.  
SOURCE: EC:071 Describe types of business activities  
SOURCE: LAP-EC-071—Strictly Business (Business Activities)
17. B  
Free trade agreements. Free trade agreements lessen the trade restrictions (e.g., tariffs, quotas, licenses) among countries. For example, the North American Free Trade Agreement (NAFTA) is a trade agreement among the United States, Canada, and Mexico that has eliminated trade barriers. When fewer trade barriers exist, there are more opportunities for businesses to buy and sell products in other countries. Protectionism is a government's policy to protect domestic industries and businesses against foreign competition. Protectionism, language barriers, and strict safety standards often hinder a business's ability to enter international markets.  
SOURCE: EC:104 Discuss the global environment in which businesses operate  
SOURCE: LAP-EC-104—Stretch Your Boundaries (The Global Business Environment)
18. C  
To protect the environment. Governments pass and enforce laws to protect consumers, businesses, and other resources. Many of these laws address business practices. The government passes and enforces environmental laws to protect our natural resources such as water, air, botanical life, and wildlife from the potentially unhealthy and unsafe outcomes of production processes. Environmental laws regulate how much and what type of chemicals can be used in the environment. The laws also regulate the ways in which the chemicals can be disposed. Labor and safety laws protect employees and consumers who enter the workplace. Monetary and fiscal policies regulate and stabilize the economy. Governments do not develop regulations that control how businesses use natural resources so they can seize business property.  
SOURCE: EC:008 Determine the relationship between government and business  
SOURCE: LAP-EC-016—Regulate and Protect (Government and Business)
19. D  
Gross private domestic investment. Gross private domestic investment is a factor used to calculate GDP, which includes the value of all capital goods created in the economy during the year and inventories held by business firms from the current year's production. Personal consumption expenditures include the final market value of all goods and services purchased for direct consumption by individuals, families, and nonprofit organizations. Net exports of goods and services is determined by subtracting imports from exports. Government purchases of goods and services include all purchases made by the government and the wages of all government workers.  
SOURCE: EC:017 Explain the concept of Gross Domestic Product (GDP)  
SOURCE: LAP-EC-917—Measure Up? (Gross Domestic Product)
20. C  
Looking for behavior patterns that occur regularly over time. By assessing your personal strengths and weaknesses, you can apply your talents where they are best used and select a career in which you are most likely to be successful. A successful assessment of your strengths and weaknesses requires being aware of your behavior patterns over time. By being aware of your behavior patterns, you can determine the things that you do well and things that you want to improve. When assessing your personal strengths and weaknesses, avoid making false generalizations about yourself, which is basing your idea of a personal strength or weakness on one isolated incident. And, because everyone is different, avoid comparing yourself to others. After identifying the weaknesses that you want to work on, try improving one weakness at a time. Taking on too many changes at once can be very frustrating.  
SOURCE: EI:002 Assess personal strengths and weaknesses  
SOURCE: LAP-EI-902—Assess for Success (Assessing Personal Strengths and Weaknesses)

21. A

Sometimes misunderstood. There is no "dictionary of signals" for body language. Nonverbal communication cannot be precise, which means that the recipient may not receive the message that the speaker intends to convey. In some cases, the body language seems to contradict what the speaker is saying. Expressing oneself through body language is not hard to learn, because we all use some forms of it instinctively. It can be more effective in some situations than verbal communication.

SOURCE: EI:007 Explain the nature of effective communications

SOURCE: Houston Chronicle. (2020, September 8). *Benefit of nonverbal communication in business*. Retrieved September 15, 2021, from <https://smallbusiness.chron.com/benefit-nonverbal-communication-business-2831.html>

22. D

Increased productivity. When people are able to communicate openly with each other, they will be more productive. If your boss gives you clear instructions, you will be able to complete your project more quickly and with fewer mistakes. Increased sales, better ideas, and a good reputation are all benefits of transparency, but they are not illustrated in this example.

SOURCE: EI:129 Foster open, honest communication

SOURCE: LAP-EI-129—Can We Talk? (Fostering Open, Honest Communication)

23. B

Maintain your composure. When responding to objections, it's important to maintain your composure. You should avoid getting angry, taking personal offense to objections, telling audience members that they are wrong, or attempting to change the subject. You should never pretend that you didn't hear an objection. These responses would be inappropriate and disrespectful to your audience.

SOURCE: EI:108 "Sell" ideas to others

SOURCE: LAP-EI-108—Do They Buy It? ("Selling" Ideas to Others)

24. A

Competing situations. Multiple situations were competing for Matthew's attention, so his conflict was about how to spend his time. Should he attend an important dinner meeting, or should he accommodate his manager's request to work late? When people do not know what they're supposed to do, or what someone else expects them to do, conflict can occur due to unclear expectations. Conflicts that involve unclear boundaries occur when people lack understanding about appropriate behavior. Conflicts related to miscommunication occur when barriers (e.g., noise) prevent someone from obtaining or understanding the information needed to make wise decisions.

SOURCE: EI:015 Use conflict-resolution skills

SOURCE: LAP-EI-007—Stop the Madness (Conflict Resolution in Business)

25. C

It serves as a guide for decision-making. When a shared vision exists, all members of the organization understand and support the organization's purpose. Successful organizations set goals and make decisions to fulfill the organization's purpose, which is based on the vision. A shared vision does not ensure that goals are achievable. Groupthink is a form of extreme cohesiveness that occurs when individuality and independent thinking within the group are discouraged. Competition doesn't increase because of a shared vision. Unattainable goals and groupthink tend to create circumstances that hinder an organization's ability to achieve its purpose.

SOURCE: EI:060 Enlist others in working toward a shared vision

SOURCE: LAP-EI-060—Vision Quest (Enlisting Others in Vision)



26. B

Impression management. If an employee has the ability to influence other workers' opinions or actions within the company, the employee is fostering political relationships. Building positive political relationships in the workplace begins by identifying and carrying out actions that will foster positive relationships, which is impression management. Reciprocity involves doing something for another person and expecting that person to return the favor at another time. Codependency is putting others' needs above your own and can lead to dysfunctional relationships. Excessive flattery often comes across as an insincere way of trying to get something from another person.

SOURCE: EI:034 Explain the impact of political relationships within an organization

SOURCE: Harappa. (2020, November 20). *What is impression management?* Retrieved September 15, 2021, from <https://harappa.education/harappa-diaries/meaning-examples-and-strategies-of-impression-management/>

27. A

Speak up. Fairness involves sticking up for people who are being treated unfairly, not ignoring the problem. This doesn't necessarily involve being aggressive or looking for another job.

SOURCE: EI:123 Describe the nature of ethics

SOURCE: LAP-EI-123—Rules To Live By (Nature of Ethics)

28. B

Late. Credit card issuers often charge late fees for payments that do not arrive on time. In the example, the credit card issuer received Elise's payment several days after the due date. Some credit card issuers require credit card holders to pay an annual fee for the privilege of using the credit card. A cash advance fee is a charge for using the credit card to obtain cash. A balance transfer fee is a charge for moving a balance owed from one credit card to another credit card. Credit card holders often transfer their balances to cards that have lower interest rates.

SOURCE: FI:071 Demonstrate the wise use of credit

SOURCE: Irby, L. (2021, February 9). *Late fees on credit cards*. Retrieved September 15, 2021, from <https://www.thebalance.com/what-is-a-late-fee-960701>

29. B

Tax deductions. Tax deductions are expenses that can be subtracted from gross income. For example, charitable donations can be claimed as tax deductions on an individual's personal tax return. The tax filer may need to provide a receipt for donations that exceed a certain amount of money. Other examples of tax-deductible expenses include college tuition, home mortgage interest, and child care. Charitable donations are not claimed on tax returns as public property, living expenses, or discretionary income.

SOURCE: FI:074 Prepare personal income tax forms

SOURCE: Hightower, S.S. (2020, October 27). *5 reasons to keep making tax-deductible donations*. Retrieved September 15, 2021, from <https://www.creditkarma.com/tax/i/reasons-tax-deductible-donations/>

30. C

\$10.67. Credit card companies using the adjusted balance method to charge interest only charge it on the principal balance that remains each month. To calculate how much total interest Rossi will pay during the initial two billing periods, first calculate the monthly interest rate by dividing the APR by the number of months in a year ( $24\%$  [or  $0.24$ ] /  $12 = 0.02$ ). Then, multiply the monthly interest rate by the principal amount to determine the amount of interest charged for the first month ( $0.02 \times \$363 = \$7.26$ ). For the following month, you first need to determine the new principal amount. Subtract the interest amount charged during the initial month from last month's repayment to determine the payment amount applied to the principal ( $\$200 - \$7.26 = \$192.74$ ). Next, subtract the payment amount applied to the principal amount at the end of the first month from the original balance to determine the new principal amount to be charged interest for the second month ( $\$363 - \$192.74 = \$170.26$ ). Calculate the interest charged for the second month ( $0.02 \times \$170.26 = \$3.41$ ). Add together the interest paid each month to determine the total interest Rossi will pay during the first two billing periods ( $\$7.26 + \$3.41 = \$10.67$ ).

SOURCE: FI:782 Calculate the cost of credit

SOURCE: Hightower, S.S. (2021, June 28). *How does credit card interest work?* Retrieved September 15, 2021, from <https://www.creditkarma.com/credit-cards/i/how-does-credit-card-interest-work/>

31. B

A 401(k) is a type of defined contribution retirement plan. If an employee has a defined contribution plan, they and their employer contribute toward the employee's retirement plan. Unlike a defined benefit retirement plan, an employee isn't guaranteed a certain amount at retirement. In some cases, employees can access their own contributions to their retirement plans prior to retiring, although there are some restrictions. Employees do not immediately have access to their employer's contributions. Retirement plans are necessary for younger employees as well as older ones—the sooner a person starts saving, the better off they'll be when it comes time for retirement. Employers are not legally required to offer retirement plans for employees.

SOURCE: FI:569 Discuss the nature of retirement planning

SOURCE: 360 Degrees of Financial Literacy. (2021). *Understanding retirement plan options*. Retrieved September 15, 2021, from <https://www.360financialliteracy.org/Topics/Retirement-Planning/Funding-Your-Retirement/Understanding-Retirement-Plan-Options>

32. A

Neutral. If a business wants to prepare reliable financial reports, it must be neutral, or impartial. This means the business has put no bias into the reports, either positive or negative. A business does not necessarily need any certifications to prepare reliable financial reports, although the more education and experience its accountants have the better. A business can generally create a reliable financial report without supervision.

SOURCE: FI:579 Describe the need for financial information

SOURCE: LAP-FI-579—By the Numbers (The Need for Financial Information)

33. A

Vendors. The best source for data about the goods and services a company needs to buy for its own operation is its vendors. Vendors are the businesses from which companies buy these products. The sales team, customers, and competitors would not be good sources of data about these products.

SOURCE: IM:012 Describe the need for marketing data

SOURCE: LAP-IM-012—Data Do It (Need for Marketing Data)

34. C

It's expensive to implement. Marketing-information systems (MkISs) can be expensive to implement. It can take time to train employees to use an MkIS, but it's not necessarily difficult. An MkIS cannot replace skilled marketers. It may update too slowly in times of business change.

SOURCE: IM:001 Explain the nature and scope of the marketing-information management function

SOURCE: LAP-IM-002—Get the Facts Straight (Marketing-Information Management)

35. B

Big data. Big data refers to the large amounts of raw facts and figures that are automatically collected from electronic sources. When you see ads for products that you previously viewed online, your data are being tracked and used to market to you. The ads Cecelia saw were not because of deception, confidentiality, or transparency.

SOURCE: IM:025 Explain the role of ethics in marketing-information management

SOURCE: LAP-IM-025—Info With Integrity (Ethics in Marketing-Information Management)

36. A

Post its privacy policies on its website. Privacy policies are a business's guidelines about how it maintains and uses its customers' information such as credit, purchasing habits, and addresses. To protect consumers' privacy, governments often legislate how businesses can obtain and use customer information. Jurisdiction refers to the authority (e.g., location, subject matter) a court has to resolve a legal issue. For example, one state, province, or country may require a business to disclose to customers that it allows third parties access to certain customer information, while another state, province, or country may not have the same law. Therefore, businesses should post their privacy policies on their websites to reduce the risk of lawsuits that may be initiated by customers in other jurisdictions. Storing information at an unsafe site is a poor business practice and may be grounds for a lawsuit in some jurisdictions. A surge protector is a device that individuals and businesses use to prevent excessive bursts of electricity from damaging computers. Some insurance companies provide businesses with insurance to cover losses associated with power surges. Selling strategies are the plans of action for the selling function, which do not always affect consumers' privacy.

SOURCE: IM:419 Describe the regulation of marketing-information management

SOURCE: Pegarella, S. (2021, July 13). *Privacy policies are mandatory by law*. Retrieved September 16, 2021, from <https://termsfeed.com/blog/privacy-policy-mandatory-law/>

37. B

Identify the reason for the research. The first step in the research process is identifying the problem, issue, situation, or concern to be researched. This is an important step because if the business does not clearly identify and define the reason for the research, the business may invest its time and money unwisely. Developing a hypothesis, collecting the needed data, and making recommendations based on findings all come later in the research process.

SOURCE: IM:010 Explain the nature of marketing research

SOURCE: LAP-IM-010—Seek and Find (Marketing Research)

38. C

Secondary data. The sales invoices are examples of secondary data, or facts, figures, and statistics that already exist and have been used for purposes other than the marketing research study. Primary data are new facts, figures, or statistics gathered for the specific marketing research project being conducted. Relevant variables are the types of information studied in a marketing research project (e.g., brand awareness, customer satisfaction, etc.). Units of analysis are the entities or elements that are being studied in market research (e.g., individual, household, etc.).

SOURCE: IM:282 Discuss the nature of marketing research problems/issues

SOURCE: LAP-IM-282—What's the Problem? (Marketing Research Problems)

39. C

Causal research. Causal research tests hypotheses and focuses on cause and effect. It would be the most appropriate design for the marketers in this scenario. Exploratory research gathers information and clarifies concepts; it does not test hypotheses. Descriptive research gathers statistical information but does not test hypotheses; it is often called statistical research.

SOURCE: IM:284 Describe methods used to design marketing research studies (i.e., descriptive, exploratory, and causal)

SOURCE: LAP-IM-284—Better by Design (Marketing Research Designs)

40. C

Customers' product preferences. Internal records provide businesses with information about their customers' buying habits and product usage. By reviewing inventory reports, a business can determine which products are selling well and which products are moving slowly. This information may prompt the business to phase out the slow-moving product and increase promotional efforts for the products that are selling well. Customers' invoices provide information about an individual customer's buying preferences and habits. For example, invoices might reveal that certain customers buy a certain quantity of a particular product four times a month. By knowing this type of information, the business can customize promotions for its customers and take steps to ensure that it has sufficient product on hand when it is needed. Financial reports provide information about customers' credit status and limits. Customer invoices do not provide information about a product's level of quality. Businesses need to analyze industry and competitors' data and compare them with internal data to evaluate their market share.

SOURCE: IM:184 Identify data monitored for marketing decision making

SOURCE: Post, J. (2021, March 10). *Best customer tracking methods for your small business.*

Retrieved September 16, 2021, from <https://www.business.com/articles/customer-tracking/>

41. A

Customer loyalty cards. Customer loyalty cards are a tool used in the tracking method of data collection. Retailers issue the cards to customers so they can track their purchases and provide incentives for buying. Tracking does not include experiments, interviews, or questionnaires.

SOURCE: IM:289 Describe data-collection methods (e.g., observations, mail, diaries, telephone, Internet, discussion groups, interviews, scanners, tracking tools)

SOURCE: LAP-IM-289—Hunting and Gathering (Data Collection Methods)

42. B

At the beginning of the survey. By establishing rapport early on, respondents will be more comfortable answering more probing questions later in the survey. Neutral questions should not be placed in the middle, at the end, or in a separate postsurvey questionnaire—their effect would be significantly reduced.

SOURCE: IM:418 Explain characteristics of effective data-collection instruments

SOURCE: Qualtrics. (2021). *Survey question sequence, flow, & style tips.* Retrieved September 16, 2021, from <https://www.qualtrics.com/experience-management/research/question-sequence-flow-style/>

43. B

Try to recover the missing information. If possible, researchers should contact respondents to ask them to fill in the missing information to eliminate the errors. A regression imputation should not be done before deleting an entry; rather, it is a way to fill in missing data by predicting a score. Before deleting an entry, Gabby should make sure the incomplete data are random because only random incomplete entries should be deleted. While deleting entire questions from the whole survey is an option, it should not be done before deciding to delete a particular entry. Rather, it is an alternative way of handling missing data.

SOURCE: IM:062 Explain techniques for processing marketing data

SOURCE: Sauro, J. (2015, June 2). *7 ways to handle missing data.* Retrieved September 27, 2021, from <https://measuringu.com/handle-missing-data/>

44. D

Mode. Seven is the number that appears with greatest frequency in the data set. If 7 were the mean, or average, the question would contain a phrase such as "on average." However, since the phrase "most men" appears, it can be assumed that 7 is the value that appears with greatest frequency. If 7 were the median, it would be the middle value of a data set. It is not possible to say with certainty that 7 is the median of the data set described above, because there is no array given. It is not possible to say that 7 is the value of the kurtosis of the frequency distribution, because the full data set is not made available in the question.

SOURCE: IM:191 Explain the use of descriptive statistics in marketing decision making

SOURCE: Purplemath. (2021). *Mean, median, mode, and range.* Retrieved September 16, 2021, from <https://www.purplemath.com/modules/meanmode.htm>

45. A  
Nonresponse error. Errors can occur during any phase of the marketing research process and can affect the validity of the results. A nonresponse error occurs when a member of the sample population does not answer all of the questions in a survey. Respondents fail to answer questions for many reasons—they may not understand the question, they may feel uncomfortable answering the question, or they may not see the question on the survey. Unanswered questions on a survey are not examples of interviewer oversight, mathematical miscalculation, or rating mistakes.  
SOURCE: IM:292 Identify sources of error in a research project (e.g., response errors, interviewer errors, non-response errors, sample design)  
SOURCE: SurveyMonkey. (1999-2021). *5 ways to avoid nonresponse errors*. Retrieved September 16, 2021, from <https://www.surveymonkey.com/mp/how-to-avoid-nonresponse-error/>
46. A  
Because multiple methods will give a more accurate picture of customer behavior. If marketing researchers want to have the most accurate results possible, it is wise to use multiple methods of marketing research. If a certain method of marketing research is known for being inaccurate, then researchers should not use that method. Customers or researchers not liking a certain method of marketing research does not necessarily affect its accuracy.  
SOURCE: IM:428 Assess appropriateness of marketing research for the problem/issue (e.g., research methods, sources of information, timeliness of information, etc.)  
SOURCE: Stewart, C. (2015, March 31). *3 reasons multiple sources are necessary for market research projects*. Retrieved September 16, 2021, from <https://blog.marketresearch.com/3-reasons-multiple-sources-are-necessary-for-market-research-projects>
47. C  
Perception. Consumers make buying decisions based on perception rather than on objective (factual) reality. This is why marketers try so hard to influence perception. Consumers do not tend to make buying decisions based on technical support or laws.  
SOURCE: MK:014 Explain factors that influence customer/client/business buying behavior  
SOURCE: LAP-MK-014—Cause and Effect (Buying Behavior)
48. D  
He enjoys soccer and music. Lifestyle interests such as soccer and music are examples of psychographic information; all of the other details given relate to demographics (e.g., age, gender, life stage, socioeconomic status).  
SOURCE: MP:003 Explain the concept of market and market identification  
SOURCE: LAP-MP-003—Have We Met? (Market Identification)
49. B  
Marketing planning. The SWOT analysis assesses a company's strengths, weaknesses, opportunities, and threats. It is an important part of the marketing planning process. It is not part of the hiring, staff training, or inventory buying process.  
SOURCE: MP:006 Explain the nature of marketing planning  
SOURCE: Strategus. (2017, September 25). *SWOT analysis for smart marketing strategy*. Retrieved September 16, 2021, from <https://www.strategus.com/blog/swot-analysis-smart-marketing-strategy>
50. D  
Easier to remember. A marketing plan forces the marketing team to put its goals in writing, making those goals easier to remember. Members of the marketing team can refer to the marketing plan any time they need to be reminded what they're working for. Putting goals in writing makes them more specific, not less specific. Putting goals in writing does not necessarily make them better than those of competitors or less risky.  
SOURCE: MP:007 Explain the nature of marketing plans  
SOURCE: LAP-MP-007—A Winning Plan (Nature of Marketing Plans)

51. D

It's reliable. Quantitative sales forecasting is advantageous because it's reliable—based on hard facts and numerical data. However, it isn't cheap to undertake quantitative sales forecasting. Quantitative sales forecasting doesn't provide the "human touch" that qualitative forecasting does, and it's not ideal for new businesses, since they don't have a lot of information to go on.

SOURCE: MP:013 Explain the nature of sales forecasts

SOURCE: LAP-MP-013—Futurecast (The Nature of Sales Forecasts)

52. C

Cybercrime. Cybercrime is any crime that is committed through the use of computers or the internet. IT managers often have access to sensitive information that could be stolen or misused. Copyright infringement involves the illegal use of someone else's copyrighted work, such as a song or other artistic work. Click fraud is a type of internet scam in which the perpetrator repeatedly clicks on an online advertisement to generate profits for the host site or drain money from the advertiser. Data loss is any loss of important information due to malpractice or other causes. The ethical issue of cybercrime is demonstrated in this example, not copyright infringement, click fraud, or data loss.

SOURCE: NF:111 Explain the role of ethics in information management

SOURCE: Martin, M. (2021, August 27). *Ethical & security issues in information system*. Retrieved September 15, 2021, from <https://www.guru99.com/mis-ethical-social-issue.html>

53. A

Customer relationship management. Customer relationship management systems accumulate and track customer activities and allow for interactions between customers and businesses. Transaction processing systems collect data from user inputs and generate outputs that assist in the core operations of a business. Supply chain management systems allow companies to work with suppliers and partners to improve operations. Decision support systems give companies access to financial, marketing, and operational data that help them make better decisions.

SOURCE: NF:083 Explain the role of information systems

SOURCE: Davoren, J. (2019, March 6). *Types of information systems in an organization*. Retrieved September 15, 2021, from <https://smallbusiness.chron.com/types-information-systems-organization-43097.html>

54. D

Turn raw data into useful information. Data mining involves looking at large quantities of data and extracting the information that can help a company better understand its customers, increase sales, and decrease costs. The purpose of data mining is not to locate potential customers, monitor the activity of competitors, or keep employees engaged.

SOURCE: NF:148 Discuss the nature of data mining

SOURCE: Twin, A. (2021, September 17). *Data mining*. Retrieved September 28, 2021, from <https://www.investopedia.com/terms/d/datamining.asp>

55. A

Society and culture. Society and culture can greatly impact business operations. Consumers who have strong opinions about abortion or same-sex marriage, for example, often make decisions about which companies to do business with based on the companies' stance on these controversial issues.

Demographics are the physical and social characteristics of a population, such as age, race, sex, etc.

The government can impact businesses by establishing new laws or tax rates but has little to do with people's personal opinions or values. Competition refers to rivalry among sellers trying to increase profits or market share.

SOURCE: NF:015 Conduct an environmental scan to obtain business information

SOURCE: LAP-NF-015—Get the 4-1-1 (Conducting an Environmental Scan)

56. D

Reporting noticeable hazards to management. One way to prevent hazardous conditions is to be aware of the things that create these types of situations. For example, if an employee notices that an electrical cord is frayed, s/he should notify the appropriate manager about the problem so the manager can take steps to have the electrical cord repaired or replaced. If the electrical cord is not repaired or replaced, someone could be shocked or a fire could start. All employees should perform their daily duties in a timely manner regardless of hazards that they may encounter. Employees should replenish supplies (e.g., paper in the copy machine) to be courteous of their coworkers. Toxic waste must be handled in specific ways; therefore, employees should report this problem to management so it can be removed safely.

SOURCE: OP:008 Maintain a safe work environment

SOURCE: OSHA. (2021). *Hazard identification and assessment*. Retrieved September 15, 2021, from <https://www.osha.gov/safety-management/hazard-identification>

57. A

Interdependent. A work team consists of individuals who possess different skills to accomplish a common goal. When two people rely on each other to accomplish a task or goal, they are interdependent. There is not enough information to determine if the two coworkers' jobs are complex, nor is there enough information to determine if they work for a bureaucratic organization.

SOURCE: OP:230 Coordinate work with that of team members

SOURCE: Hanna, D. (2016, April 7). *The secret glue of high performance teams*. Retrieved September 15, 2021, from <https://www.linkedin.com/pulse/high-performance-teaming-interdependence-drives-david-hanna/>

58. C

Increased efficiency. Automation replaces human labor with machine production, thereby increasing efficiency and producing larger quantities of goods. A disadvantage of automation is that it increases the amount of capital that must be invested in equipment. Automating production increases computerization because most automated systems are controlled by computers. Increased consumer demand helped create the need for automation.

SOURCE: OP:017 Explain the concept of production

SOURCE: LAP-OP-017—Can You Make It? (Nature of Production)

59. A

Improve quality and reduce inefficiencies. Six Sigma is a quality-management framework that involves continuously setting higher goals of perfection. Six Sigma builds upon previous goals to set higher goals in order to continuously improve the quality of the business's goods, services, or processes. The ultimate goal is to maximize outputs, reduce inefficiencies and waste, have no process or product defects, and minimize production costs. If these actions are successful, the business's profits may increase. As a quality-control framework, the primary purpose of Six Sigma is not to eliminate resources, lessen decision-making, influence regulation, or decrease outputs.

SOURCE: OP:163 Identify quality-control measures

SOURCE: Hayes, A. (2021, March 24). *Six Sigma*. Retrieved September 15, 2021, from <https://www.investopedia.com/terms/s/six-sigma.asp>

60. B

Cost savings. Supply chain management is the process of getting products into the marketplace and overseeing the flow of goods from production to consumption. Supply chain management can help organizations save money by making the organization more efficient, reducing waste, and cutting overhead costs. Supply chain management should not necessarily make processes more complex. Supply chain management usually ensures that inventory levels are not too low. Finally, supply chain management usually mitigates risk rather than increasing it.

SOURCE: OP:443 Explain the concept of supply chain

SOURCE: DeBendetti, J. (2019, March 6). *The advantages of supply chain management systems*. Retrieved September 15, 2021, from <https://smallbusiness.chron.com/advantages-supply-chain-management-systems-77606.html>

61. A  
Select. The first step in achieving goals is to choose one that is meaningful to you. You may want to start with a single goal or a set of goals. Before you can reach a goal, you must have a clear idea of your goal from the beginning in order to achieve it. To complete or to fulfill a goal is to achieve it. It is not necessary to adjust an appropriate goal.  
SOURCE: PD:018 Set personal goals  
SOURCE: LAP-PD-918—Go for the Goal (Goal Setting)
62. D  
Creative. Creativity is the ability to generate unique ideas, possibilities, and solutions. People who are creative usually possess inventiveness, imagination, and innovation. Based on the information given, Carly can best be described as creative—not necessarily independent, a rule-follower, or a troublemaker.  
SOURCE: PD:012 Demonstrate appropriate creativity  
SOURCE: LAP-PD-012—Imagine That (Demonstrating Creativity)
63. D  
Operations management. Operations management is a field in which employees focus on planning, organizing, coordinating, and controlling resources needed to produce goods/services. It includes activities such as scheduling, quality control, and procurement. Professional selling, marketing communications, and banking services do not involve as much focus on planning, organizing, and coordinating.  
SOURCE: PD:025 Explain employment opportunities in business  
SOURCE: LAP-PD-025—Go for It! (Careers in Business)
64. B  
Job responsibilities. A business needs its employees to carry out their job responsibilities in order for the business to achieve its overall objectives or organizational goals. Management determines these goals and assigns job responsibilities to the employees who will accomplish the goals. For example, the primary responsibility of an accounts-receivable employee is to process the business's financial receipts. By fulfilling this responsibility, the employee is helping the business achieve its overall goal of acquiring income so it can continue to operate. The benefits package does not affect the employee's role in helping a business achieve its goals. Employees are given specific goals to accomplish in relation to their jobs, which may or may not include some risk-taking. Networking, which is the exchange of information with others for the purpose of professional or business development, may or may not be an important aspect of an employee's job responsibilities.  
SOURCE: PD:255 Ascertain employee's role in meeting organizational goals  
SOURCE: Ryba, K. (2021, February 23). *How to align individual, team, and organizational goals for success*. Retrieved September 15, 2021, from <https://www.quantumworkplace.com/future-of-work/how-to-align-organizational-goals>
65. D  
Marketing research. Marketing researchers are in charge of figuring out what customers need and want and why customers do what they do. Marketing research jobs focus on marketing activities that involve determining information needs; designing data collection processes; collecting data; analyzing data; presenting data; organizing focus groups, product tests, and surveys; and using data for marketing planning. Customer service, sales, and public relations professionals do not organize focus groups, product tests, and surveys.  
SOURCE: PD:024 Explain employment opportunities in marketing  
SOURCE: LAP-PD-024—Career Opportunities in Marketing
66. A  
Socially irresponsible. It is socially irresponsible to price a lifesaving product so that the people who need it cannot afford it. In some jurisdictions, it is considered price gouging, which is illegal. This action is not economically justifiable, charitable, or conscientious.  
SOURCE: PI:015 Describe the role of business ethics in pricing  
SOURCE: Heyward, C. (2020, November 18). *The growing importance of social responsibility in business*. Retrieved September 21, 2021, from <https://www.forbes.com/sites/forbesbusinesscouncil/2020/11/18/the-growing-importance-of-social-responsibility-in-business/?sh=2d0f2452283b>



67. C

Simulate the impact of pricing changes. Analytic applications enable marketers to input different variables and analyze their outcomes. By analyzing these “what if” situations or simulations, marketers can make sound pricing decisions that align with their objectives. Price-execution applications automate pricing processes and generate price lists. Price-optimization applications help marketers identify favorable pricing strategies.

SOURCE: PI:016 Explain the use of technology in the pricing function

SOURCE: Campbell, P. (2019, July 22). *Pricing analytics: Definition, metrics, and why you need it*. Retrieved September 16, 2021, from <https://www.profitwell.com/recur/all/pricing-analytics>

68. C

Supply and demand. When the supply of a product is less than the demand, marketers often increase the selling price. Production costs, competition, and product life cycle are not factors that caused the selling price to increase in this situation.

SOURCE: PI:002 Explain factors affecting pricing decisions

SOURCE: LAP-PI-003—Make Cents (Factors Affecting Selling Price)

69. D

Packaging. Packaging is placing the product in a protective wrap or container before it is offered for sale. It is an area of product management that has increased in importance as the number of items available to consumers has increased. The package must be eye-catching to attract purchasers. It must also protect the product, create a product image ranging from economy to luxury, and identify the product brand. Good packaging helps increase sales. Labeling provides information about the product and attracts customers but does not protect the product. Idea generation is the process of thinking up or creating new plans, schemes, and thoughts. Concept testing is exploring the concept, or idea, for a product in order to obtain feedback.

SOURCE: PM:001 Explain the nature and scope of the product/service management function

SOURCE: LAP-PM-017—Serving Up Products (Nature of Product/Service Management)

70. A

The market is saturated. Many products go into decline because the market is saturated. This means that almost all of the product's potential customers have been reached, and the only opportunity for increased sales comes with population growth or a shift in market share. If a product were to be outlawed by the government, it would happen earlier in the product life cycle. Customer tastes shift, and superior products become available. These are both common reasons that older products go into decline.

SOURCE: PM:024 Identify the impact of product life cycles on marketing decisions

SOURCE: LAP-PM-024—Get a Life (Cycle) (Product Life Cycles)

71. C

Planned obsolescence. By developing new styles and models, marketers encourage consumers to think that the product they have is outdated. This, then, encourages customers to buy the new style or model of the product. This has become a big ethical issue because consumers are trashing perfectly usable goods and filling up landfills with poisonous chemicals. Institutional advertisements focus on promoting attitudes and beliefs as opposed to selling products. Industrial sales are those that occur among businesses. Packaging is not involved in the scenario.

SOURCE: PM:040 Explain business ethics in product/service management

SOURCE: Kenton, W. (2019, June 4). *Planned obsolescence*. Retrieved September 16, 2021, from [https://www.investopedia.com/terms/p/planned\\_obsolescence.asp](https://www.investopedia.com/terms/p/planned_obsolescence.asp)

72. A

Demographic changes. A product opportunity is a favorable circumstance that presents itself to provide a good or service that people are willing to buy. Individuals often discover product opportunities by simply being aware of changes that are occurring around them. Demographics are the physical and social characteristics of the population. Age is a demographic characteristic of the population or market segment. As a segment of the population ages, its wants and needs change. When an individual recognizes physical and social changes, they have identified a product opportunity due to demographic shifts. Personal attitudes are psychographic factors. Psychographics are a market segment's shared attitudes, opinions, and values. Geographic limitations such as hilliness or a lack of water relate to a specific location or region. Economic resources are the human and natural resources and capital goods used to produce goods and services.

SOURCE: PM:134 Identify product opportunities

SOURCE: Sherman, F. (2019, March 8). *Examples of demographic segmentation*. Retrieved September 16, 2021, from <https://smallbusiness.chron.com/examples-demographic-segmentation-12367.html>

73. C

Programmed. Since Gwen likes to use structured, organized techniques to develop new ideas, she is likely to prefer programmed thinking ideation methods. Programmed thinking is a process used to solve problems and generate ideas in logical, analytical, organized ways. Lateral thinking is very different from programmed thinking. Lateral thinking is a process used to solve problems and generate ideas in purposely illogical ways. Philosophical thinking and artistic thinking are not usually referred to as ideation methods.

SOURCE: PM:127 Identify methods/techniques to generate a product idea

SOURCE: LAP-PM-127—Unleash Your Mind (Techniques for Generating Product Ideas)

74. D

Encourage participation. Brainstorming is a creative-thinking technique that involves identifying as many ideas as possible during a certain time frame. Businesses often use the brainstorming technique to generate ideas for new or improved products. The facilitator helps keep the members of the group brainstorming session on track. This person keeps order, encourages participation, fosters a creative environment, and documents the ideas for further review. The facilitator should not evaluate the ideas or initiate debate during a brainstorming session. These actions may hinder the creative-thinking process and discourage group members from participating. The primary purpose of a facilitator is to lead the discussion, not improve relationships.

SOURCE: PM:128 Generate product ideas

SOURCE: Robin Powered. (2021). *How to facilitate a brainstorming session that gets great results*. Retrieved September 16, 2021, from <https://robinpowered.com/blog/how-to-facilitate-a-brainstorming-session-that-gets-great-results>

75. B

Standards. Standards are specifications or statements that are used as a basis for comparing or judging goods or services. The most common types of product standards include quantity standards, quality standards, time standards, and cost standards. Grades are ratings assigned to products that tell to what extent standards were met. The company is not setting sales standards. Costs are just one common type of product standard.

SOURCE: PM:019 Describe the uses of grades and standards in marketing

SOURCE: LAP-PM-008—Raise the Bar (Grades and Standards)

76. D

Provide detailed written instructions. To protect customers, businesses must advise customers about how to use their products safely. Complex products that require assembly or that have multiple functions should provide detailed written instructions to help the customer assemble or use the product correctly. When the product is assembled or used correctly, there is less risk of injury to the product user and less risk associated with product damage. Offering a service guarantee, implementing a return policy, and using recyclable packaging are not actions that will help reduce the risk of personal injuries and product damage.

SOURCE: PM:017 Identify consumer protection provisions of appropriate agencies

SOURCE: LAP-PM-007—Protect and Serve (Consumer Protection)

77. B

Associating an artificial sweetener with sugar. Positioning is a product mix strategy in which a business creates a certain image or impression of a product in the minds of consumers. One strategy businesses might use to position their products is by associating the good or service with a particular product category. Sugar, artificial sweeteners, and certain herbs are items that people use to sweeten foods and beverages to enhance their taste. Emphasizing a warranty is using a product benefit to position the car. A business that focuses on value is using price to position its products. When a resort communicates information about its luxury services, it is using quality to position its product.

SOURCE: PM:042 Describe factors used by marketers to position products/services

SOURCE: LAP-PM-042—Getting Piece of Mind (Factors Used To Position Products/Services)

78. C

Preference. Brands usually pass through successive stages of brand loyalty, which is customers' allegiance to a particular brand. Brand preference is when consumers prefer to purchase a certain brand based on their positive experience with the brand. However, if that brand is not available, the consumer will purchase another brand. Brand recognition is when consumers become aware of a brand and know a bit about it. And when consumers insist on "their" brand and will not accept a substitute, the brand has reached brand insistence. Only that particular brand will satisfy a customer for a given purpose. A brand mark is a distinctive symbol, design, sound, or group of letters that is seen or heard but cannot be spoken.

SOURCE: PM:021 Explain the nature of product/service branding

SOURCE: LAP-PM-021—It's a Brand, Brand, Brand World! (Nature of Product Branding)

79. C

Private. A private brand is owned by the intermediary (retailer, wholesaler, or other distributor) that sells the brand rather than the manufacturer. Private brands are sometimes called private labels, store brands, or distributor brands. Corporate brands are all the combined customer impressions and experiences associated with a particular company. Value and business brands are not terms typically used to refer to private brands.

SOURCE: PM:206 Explain the nature of corporate branding

SOURCE: LAP-PM-206—Corporate Identity (Nature of Corporate Branding)

80. D

Products. A corporate brand is all the combined customer impressions and experiences associated with a particular company. Positioning involves creating the desired image or impression in the minds of consumers. Many factors affect positioning decisions. An important factor to consider is the type of products that the company offers. For example, a service business offers intangible activities, so it might position itself by emphasizing its employees' knowledge and expertise. On the other hand, a manufacturer offers tangible goods, so it might consider the quality of the materials that it uses to produce the goods. Trade characters and trademarks are branding elements that companies use to reinforce brand awareness. Buyers are employees who purchase merchandise and/or supplies for their employers. A company's positioning goals influence the type of merchandise that the buyers purchase.

SOURCE: PM:207 Describe factors used by businesses to position corporate brands

SOURCE: Lake, L. (2019, November 20). *How to develop your brand strategy*. Retrieved September 16, 2021, from <https://www.thebalancesmb.com/how-to-develop-your-brand-strategy-2295187>

81. B

Customer touchpoint. A customer touchpoint is any encounter in which a business and a customer engage. In this example, Marcy's live chat with a service representative would be considered a customer touchpoint to VaccuFresh—not a marketing strategy, customer analysis, or advertising success.

SOURCE: PM:277 Identify customer touch points

SOURCE: Walters, J. (2020). *What a customer touchpoint is (and why you should care)*. Retrieved September 16, 2021, from <https://experienceinvestigators.com/customer-touchpoint/>

82. A

Promotion. Promotion is personal if it involves contact between people, and it is nonpersonal if other means of communicating the message are used. Message channels are the media used by sellers to promote goods, e.g., radio, television. Demand is the quantity of a good or service that buyers are ready to buy at a given price at a particular time. Cultural trends are the direction of changes in people's beliefs, behavior patterns, and attitudes.

SOURCE: PR:001 Explain the role of promotion as a marketing function

SOURCE: LAP-PR-002—Razzle Dazzle (Nature of Promotion)

83. D

An author appears on a talk show to discuss their new book. Publicity is a nonpersonal form of promotion that is not paid for by the company or individual that benefits from or is harmed by it. A radio announcer delivering a paid nonpersonal message is an example of advertising. Free samples and a fashion show are examples of sales promotion activities designed to stimulate consumer purchases.

SOURCE: PR:003 Identify the elements of the promotional mix

SOURCE: LAP-PR-001—Spread the Word (Nature of the Promotional Mix)

84. B

A television station runs several beer commercials during prime-time viewing hours. Prime-time viewing hours on television are considered time slots that are geared to families. As a result, offensive, violent, and sexual content are often limited at these times. Some might find promoting beer to families and/or minors during this time unethical. The examples consisting of a sweepstakes promotion, advertisement placements, and public service announcements do not provide enough information to determine if unethical behavior has been exhibited.

SOURCE: PR:099 Describe the use of business ethics in promotion

SOURCE: Management Study Guide. (2021). *Ethics in advertising*. Retrieved September 21, 2021, from <https://www.managementstudyguide.com/advertising-ethics.htm>

85. D

Social networking. Many businesses are establishing a marketing presence on various social networking websites. As the popularity of social networking (e.g., Facebook, Twitter, LinkedIn) continues to grow, these types of websites provide businesses with additional touchpoints in which to connect with existing or new markets. For example, a business might inform its "friends" or "fans" about a special event, provide product coupons, or post entertaining videos to generate interest. Businesses may also solicit and receive feedback about their goods and services. Broadcast media uses radio waves (i.e., television, radio) to reach their audiences. Just-in-time is an inventory method that orders goods just in time for them to be used or sold. Affiliate advertising is the process of promoting and selling another business's products on a website in exchange for a sales commission.

SOURCE: PR:100 Describe the use of technology in the promotion function

SOURCE: Newberry, C., & McLachlan, S. (2020, March 8). *Facebook marketing in 2021: How to use Facebook for business*. Retrieved September 16, 2021, from <https://blog.hootsuite.com/facebook-marketing-tips/>

86. A

Advertising goods even though there isn't enough stock to meet expected demand. Advertising for goods or services when a company knows it will not have enough inventory to meet expected demand is unethical and deceptive. Representing goods and services accurately and truthfully and requiring salespeople to adhere to company ethics policies are both examples of ethical sales practices.

Publishing a job listing even though the position will be filled by a current employee may be unethical and deceptive, but it's not an example of a sales practice.

SOURCE: PR:101 Describe the regulation of promotion

SOURCE: FindLaw. (2016, June 20). *Details on state deceptive trade practices*. Retrieved September 28, 2021, from <https://statelaws.findlaw.com/consumer-laws/details-on-state-deceptive-trade-practices.html>

87. A

Low cost. Newspapers usually offer the lowest advertising rates of all the media. Advertising in suburban newspapers generally is less expensive than advertising in major newspapers. Small food markets do not have large promotional budgets and advertise primarily in suburban newspapers because the costs are very low. Also, the suburban newspapers reach the customers in the food markets' areas. The competitive environment, short life, and poor reproduction quality are reasons why a food market might not want to advertise in newspapers.

SOURCE: PR:007 Explain types of advertising media

SOURCE: LAP-PR-003—Ad-quipping Your Business (Types of Advertising Media)

88. A

A company asks customers to share product reviews on a website. Amplified word-of-mouth strategy involves a business asking others to help spread the word about its products, such as requesting customers to share product reviews on a website. Customers sharing the release date for a new product on Facebook, posting comments about a company on Twitter, and sharing their opinions of a new product with a friend are examples of organic word-of-mouth because they were created by consumers, not the company.

SOURCE: PR:247 Describe word-of-mouth channels used to communicate with targeted audiences

SOURCE: Glover, M. (2021, March 15). *Word of mouth marketing in 2021: How to create a strategy for social media buzz & skyrocket referral sales*. Retrieved September 28, 2021, from <https://www.bigcommerce.com/blog/word-of-mouth-marketing/>

89. B

Point-of-sale marketing. Point-of-sale marketing is marketing that occurs at the location where products are sold to the final consumer. A display of candy bars in the checkout aisle is an example of point-of-sale marketing. A free-standing insert is a piece of paper that is placed in a newspaper or magazine, usually containing marketing materials such as coupons. A sweepstakes is a type of contest in which prizes are awarded to winners. Trade-in promotions allow customers to trade a used product for cash or gift cards.

SOURCE: PR:249 Identify communications channels used in sales promotion

SOURCE: Marketing-Schools.org. (2020, November 25). *Point-of-sale marketing*. Retrieved September 16, 2021, from <https://www.marketing-schools.org/types-of-marketing/point-of-sale-marketing.html>

90. A

Product in an appropriate setting. There are many ways that illustrations in advertisements can be used to attract attention and create desire for products. One way is to use illustrations that focus on the product in an appropriate setting. A photograph of tents in a forest shows the product in a setting in which it would normally be used. Illustrations showing the positive results of using the product are focusing on the benefits of using the product. Illustrations showing someone actually using the product are focusing on the product in use. Illustrations showing specific details or features rather than the product as a whole are focusing on the product's details and features.

SOURCE: PR:014 Explain the components of advertisements

SOURCE: EyeEm. (n.d.). *How to use images effectively in your brand marketing and design*. Retrieved September 16, 2021, from <https://www.eyem.com/blog/99-designs-use-images-effectively-brand-marketing-design>

91. B

Crisis management. Crisis management is a public relations strategy that involves the ongoing managing, planning, and coordinating of resources to handle undesirable situations or circumstances. Market segmentation is the process of dividing a total market into smaller, specific groups. Territory development refers to the expansion of a selling area. Talent acquisition is the process of finding and hiring employees.

SOURCE: PR:252 Identify types of public-relations activities

SOURCE: Lamb, C.W., Hair, J.H., Jr., & McDaniel, C. (2019). *MKTG* (12th ed.) [Lesson 16-5a]. Boston, MA: Cengage Learning, Inc.

92. A  
Media. A business's public relations department is responsible for establishing and maintaining good relations between the business and the public. The public often consists of external audiences such as customers, local businesses, the media, and local residents. The public also consists of internal audiences such as employees, managers, shareholders, and boards of directors. An important aspect of the public relations function is communicating information about the business to the public. An effective way of communicating to many of the business's audiences and obtaining publicity is through the media—television, radio, newspapers, etc. By sending press releases or holding press conferences, the business can obtain publicity about its new products, community service projects, expansion plans, etc.  
SOURCE: PR:253 Discuss internal and external audiences for public-relations activities  
SOURCE: Wolf, L. (2021, January 18). *Press releases and their purpose*. Retrieved September 21, 2021, from <https://www.thebalancesmb.com/what-is-a-press-release-3515529>
93. D  
Customer service. You may think that if you offer a product with the best price and the best quality, you'll beat all the competition. Unfortunately, price and quality can be easily matched among competitors. Customer service is where the real competition among businesses begins. This example demonstrates the importance of excellent customer service, not product quality, price matching, or employee discipline.  
SOURCE: SE:076 Explain the role of customer service as a component of selling relationships  
SOURCE: LAP-SE-076—Go Beyond the Sale (Customer Service in Selling)
94. B  
Change the subject or remain silent. Good salespeople are careful to avoid discussing controversial topics. This means that if a customer brings up a touchy subject, a salesperson should remain silent or change the subject. Greg should definitely not argue with his customer, even if he doesn't agree with the customer's views. He also shouldn't look unhappy by frowning or shaking his head. Although Greg might be tempted to laugh off the situation to diffuse tension, he shouldn't risk offending the customer.  
SOURCE: SE:828 Explain key factors in building a clientele  
SOURCE: LAP-SE-828—Keep Them Loyal (Key Factors in Building Clientele)
95. A  
Talk to your supervisor regarding the situation. Selling policies are general rules established to guide the selling effort, and they need to be a bit flexible so an occasional exception can be made. In this situation, being flexible may help you satisfy your largest customer and keep their business. By stating that you did not set the policy, you are not offering the client assistance at all. Spending time selling the client something else does not resolve the current problem. Enforcing the current policy offers no type of solution or assistance to the client.  
SOURCE: SE:932 Explain company selling policies  
SOURCE: LAP-SE-932—Sell Right (Selling Policies)
96. B  
Stick with the facts during a sales presentation. An ethical salesperson tries to stick to the facts during sales presentations instead of misleading customers or badmouthing competitors. Ethical salespeople don't make decisions based on what works best right now; instead, they make decisions based on what's right. Ethical salespeople also don't manipulate potential customers or fudge expense reports.  
SOURCE: SE:106 Explain legal and ethical considerations in selling  
SOURCE: LAP-SE-106—Keep It Real—In Sales (Legal and Ethical Considerations in Selling)
97. A  
Care and maintenance. Salespeople can learn a lot about products just by reading their labels. A label that contains the message "No oiling needed" refers to the product's care and maintenance. This bit of information is an excellent selling point for salespeople to use. Materials and content explain or identify product ingredients. Finishes are coatings that are added to product surfaces. Information about product use refers to how to operate or assemble the product.  
SOURCE: SE:062 Acquire product information for use in selling  
SOURCE: Omotoso, M. (2018, May 2). *The importance of fashion care instruction cards*. Retrieved September 16, 2021, from <https://fashioninsiders.co/toolkit/business-basics/fashion-care-instruction-cards/>

98. D

Multiple uses. Salespeople are more likely to make a sale if they clearly communicate a product's features and benefits. Some products perform multiple functions, which are features that provide benefits—customers do not need to buy individual items to perform each function. The vacuum cleaner can perform several functions—it sucks up dirt from carpets and floors; it has attachments to remove dust from furniture, draperies, and ceiling fans; and it deep cleans carpets. The example does not communicate information about the vacuum cleaner's construction, durability, or style.

SOURCE: SE:109 Analyze product information to identify product features and benefits

SOURCE: LAP-SE-109—Find Features, Boost Benefits (Feature-Benefit Selling)

99. B

Discovering customer needs. The second phase of the selling process involves discovering customer needs and wants. When customers do not know precisely what they are looking for, a salesperson must be prepared to discover their needs. Assessing customer needs is important because it often reduces the amount of selling time required. Establishing relationships with customers is the first phase of the selling process and may include creating a good impression of the business. Prescribing possible solutions is the third phase of the selling process and takes place after salespeople have discovered customer needs.

SOURCE: SE:048 Explain the selling process

SOURCE: LAP-SE-048—Set Your Sales (The Selling Process)

100. A

Post-purchase. It is common for customers to question their purchasing decisions after they purchase goods. Most consumers do not second-guess their decisions before the need for a product is identified or during the pre-purchase or during-purchase stages, because they have not yet purchased any goods.

SOURCE: SE:359 Discuss motivational theories that impact buying behavior

SOURCE: Scott, T. (2021). *Buyer's remorse: Understanding this seemingly irrational behavior*.

Retrieved September 21, 2021, from <https://www.bidsketch.com/blog/sales/buyers-remorse/>