

Name _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) _____ calls for meeting the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. 1) _____
- A) Environmentalism
 - B) The strategic planning concept
 - C) Innovation
 - D) The sustainable marketing concept
 - E) Consumerism
- 2) All of the following are concepts that define the needs of consumers and/or businesses EXCEPT the _____ concept. 2) _____
- A) marketing
 - B) sustainable marketing
 - C) strategic planning
 - D) societal marketing
 - E) consumer business
- 3) The _____ concept is specifically focused on future company needs only. 3) _____
- A) societal marketing
 - B) strategic planning
 - C) consumer business
 - D) sustainable marketing
 - E) marketing
- 4) The _____ concept is specifically focused on the future welfare of consumers only. 4) _____
- A) strategic planning
 - B) sustainable marketing
 - C) marketing
 - D) societal marketing
 - E) consumer business
- 5) McDonald's "Plan to Win" strategy has added healthy food options to its menu, phased out traditional artery-clogging trans fats, launched a major multifaceted education campaign, and addressed environmental issues. "Plan to Win" best exemplifies which concept? 5) _____
- A) sustainable marketing concept
 - B) societal marketing concept
 - C) strategic planning concept
 - D) consumer business concept
 - E) marketing concept

- 6) Many critics charge that the American marketing system causes _____ to be higher than they would be under more "sensible" systems. 6) _____
- A) prices
 - B) employee morals
 - C) exports
 - D) imports
 - E) product safety measures
- 7) Critics charge that intermediaries _____. 7) _____
- A) are too few in number
 - B) provide only necessary services
 - C) underprice their services
 - D) are inefficient
 - E) are too competitive
- 8) A long-standing charge against intermediaries is that they mark up prices beyond the _____. 8) _____
- A) promotion cost
 - B) going market price
 - C) resale value
 - D) value of their services
 - E) delivery charges
- 9) A heavily promoted brand of flu medicine sells for much more than a virtually identical store-branded product. Critics would likely charge that promotion for the branded flu medicine adds only _____ to the product rather than functional value. 9) _____
- A) informational value
 - B) psychological value
 - C) quality
 - D) strength
 - E) consistency
- 10) Marketers respond to charges of high advertising and promotion costs that unnecessarily increase retail prices by arguing all of the following factors EXCEPT which one? 10) _____
- A) Advertising and promotion adds quality to the product.
 - B) Advertising and promotion is necessary for a firm to match competitors' efforts.
 - C) Advertising and promotion adds value by informing potential buyers of the availability and merits of a brand.
 - D) Advertising and promotion make consumers feel attractive.
 - E) Advertising and promotion make consumers feel wealthy.
- 11) Omar's pharmacy sells consumers medicine for twenty dollars that only costs two dollars to make. The store is guilty of _____. 11) _____
- A) deceptive promotion
 - B) redlining
 - C) deceptive packaging
 - D) excessive markups
 - E) false advertising

- 12) Albatross Enterprises was accused of deceptive pricing. Which statement explains what might have happened? 12) _____
- A) Albatross misrepresented a product's features in an ad.
 - B) Albatross refused to advertise sale prices in the local paper.
 - C) Albatross used misleading labeling.
 - D) Albatross lured customers to the store for a bargain that is out of stock.
 - E) Albatross advertised a large price reduction from a phony high retail list price.
- 13) Zien's Department Store was accused of deceptive promotion. Which statement best explains what might have happened? 13) _____
- A) Zien's exaggerated its package contents through subtle design.
 - B) Zien's refused to advertise sale prices in the local paper.
 - C) Zien's lured customers to the store for a bargain that is out of stock.
 - D) Zien's used misleading labeling.
 - E) Zien's advertised a large price reduction from a phony high retail list price.
- 14) Marketers claim that consumers often don't understand the reasons for high markups. All of the following are reasons a pharmaceutical company claims they must markup prices EXCEPT _____ 14) _____
- A) to cover cost of distributing existing medicines
 - B) to cover cost of promoting
 - C) to cover cost of purchasing
 - D) to test new medicines
 - E) to gain a profit
- 15) Deceptive practices fall into three groups: deceptive _____, deceptive _____, and deceptive _____ 15) _____
- A) product; packaging; placement
 - B) packaging; product; promotion
 - C) pricing; promotion; placement
 - D) pricing; promotion; packaging
 - E) product; pricing; promotion
- 16) Deceptive promotion differs from deceptive pricing in that it overstates the product's _____ or _____ 16) _____
- A) design; features
 - B) true price; performance
 - C) availability; package contents
 - D) features; performance
 - E) packaging; costs
- 17) A major step in regulating "unfair or deceptive business acts and practices" was the enactment of the _____ in 1938. 17) _____
- A) Stamp Act
 - B) Wheeler-Lea Act
 - C) Robinson-Patman Act
 - D) Taft-Hartley Act
 - E) Interstate Commerce Commissions

- 18) When critics claim that insurance, real estate, and used cars are sold, not bought, they are making accusations of the use of _____. 18) _____
- A) shoddy products
 - B) excessive materialism
 - C) high-pressure selling
 - D) deceptive promotions
 - E) excessive markups
- 19) _____ persuades people to buy goods they had no thought of buying. 19) _____
- A) Reverse redlining
 - B) Strategic marketing
 - C) Sustainable marketing
 - D) High pressure selling
 - E) Redlining
- 20) The success of the Faysal Ziad's Ford dealership has been built largely on return customers and word-of-mouth recommendations. The majority of sales are made to customers who have purchased a vehicle at the dealership before or who know someone who had a positive experience purchasing a vehicle there. The sales force at the Faysal Ziad's Ford dealership most likely knows that using high-pressure selling does not work if the dealership wants to _____. 20) _____
- A) obey local and federal law
 - B) build long-term relationships with customers
 - C) achieve short-term gains
 - D) maintain a database
 - E) move last year's models
- 21) Recently, a class-action lawsuit was brought against McDonald's, charging that its food has contributed to the world's obesity epidemic. The suit was eventually dismissed, but many critics continue to point out the health dangers of many "fast food" menu items. These critics are concerned that the fast food industry has used _____. 21) _____
- A) deceptive packaging
 - B) high-pressure selling
 - C) deceptive pricing
 - D) deceptive promotions
 - E) harmful products
- 22) Consumers Union, the nonprofit testing and information organization, publishes _____ to assist the consumer in choosing products and to encourage businesses to eliminate product flaws. 22) _____
- A) *Home & Garden*
 - B) *Consumer Reports*
 - C) *Consumer Digest*
 - D) *Buyers Weekly*
 - E) *Sports Illustrated*
- 23) All of the following would be considered hazards in tested products EXCEPT _____. 23) _____
- A) sour-tasting medicine
 - B) electrical dangers in appliances
 - C) injury risks from lawn mowers
 - D) carbon monoxide poisoning from room heaters
 - E) faulty automobile design

- 24) Critics have charged that some companies intentionally manufacture their products with materials or components that cause the product to need to be replaced before it actually should need replacement. What is this called? 24) _____
- A) expressed dissatisfaction
 - B) product failure
 - C) nonfunctional warranty
 - D) planned obsolescence
 - E) short-term planning
- 25) The following quote best describes _____. "The marvels of modern technology include the development of a soda can which, when discarded, will last forever, and a... car, which when properly cared for, will rust out in two or three years." 25) _____
- A) product failure
 - B) short-term planning
 - C) nonfunctional warranty
 - D) excessive markups
 - E) planned obsolescence
- 26) Planned obsolescence might involve all of the following EXCEPT _____. 26) _____
- A) the use of materials that will rust sooner than they should
 - B) producers continually changing consumer styles
 - C) the use of unsafe materials
 - D) the use of components that will break soon after purchase
 - E) the holding back of attractive functional features, then introducing them later to make older models obsolete
- 27) Marketers respond to charges of planned obsolescence with all of the following EXCEPT which one? 27) _____
- A) Consumers like change.
 - B) For most technical products, customers want the latest innovations.
 - C) Companies do not want to lose customers to other brands.
 - D) No one is forced to buy the new product.
 - E) The product will eventually wear out anyway.
- 28) Trendy Teens manufactures fashionable clothing and accessories for the tween and teen female markets. New merchandise with a very different look is rolled out each season and heavily promoted as the "must-have" style in a variety of media. Trendy Teens could most easily be criticized for which of the following? 28) _____
- A) planned obsolescence
 - B) deceptive promotions
 - C) high-pressure selling
 - D) shoddy products
 - E) poor service to disadvantaged consumers
- 29) Critics claim that companies in the _____ industries introduce planned streams of new products that make older models obsolete, a form of planned obsolescence that harms consumers. 29) _____
- A) financial and entertainment
 - B) food and beverage
 - C) housing and construction
 - D) consumer electronics and computer
 - E) car and truck

- 30) Critics who believe that the American marketing system poorly serves disadvantaged consumers claim that the _____ pay more for inferior goods. 30) _____
A) rural poor
B) elderly
C) uneducated
D) wealthy
E) urban poor
- 31) The presence of _____ in low-income neighborhoods makes a big difference in keeping prices down. 31) _____
A) redlining companies
B) malls
C) small stores
D) factory outlets
E) large national chain stores
- 32) When major chain retailers avoid placing stores in disadvantaged neighborhoods, they are likely to be accused of the discriminatory practice of _____. 32) _____
A) scrambling merchandise
B) embargo
C) redlining
D) puffery
E) licensing
- 33) Several companies, some of them operating through the Internet, offer "paycheck advances." Consumers are encouraged to take out a loan against a paycheck they expect to receive in the near future. These short-term loans with high-interest rates, and high penalties for late payments, are often marketed to consumers who do not have traditional bank accounts. These companies could most easily be criticized for which of the following? 33) _____
A) high advertising and promotion costs
B) high-pressure selling
C) poor service to disadvantaged consumers
D) excessive markups
E) shoddy products
- 34) Critics have charged that the marketing system urges too much interest in _____. 34) _____
A) material possessions
B) new product invention
C) the push strategy
D) meeting a quota
E) entering the global market arena
- 35) Redlining is practiced in many developing countries, specially in _____ areas. 35) _____
A) avoided B) urban C) rural D) new E) wide
- 36) People have _____ defenses against advertising and other marketing tools. 36) _____
A) predatory B) weak C) average D) very little E) strong

- 37) On a deeper level, our wants and values are influenced not only by _____ but also by family, peer groups, religion, cultural background, and education. 37) _____
- A) actors
 - B) children
 - C) enemies
 - D) competitors
 - E) marketers
- 38) Critics say marketing is seen as benefiting _____ more than _____. 38) _____
- A) consumers; industry
 - B) stores; manufacturers
 - C) industry; consumers
 - D) independent sellers; chain stores
 - E) exporters; importers
- 39) Our wants and values are LEAST influenced by _____. 39) _____
- A) family
 - B) intermediaries
 - C) education
 - D) cultural background
 - E) religion
- 40) The overselling of private goods results in _____, such as cars causing traffic jams, air pollution, injuries, and deaths. 40) _____
- A) misdirected funding
 - B) social costs
 - C) materialism
 - D) cultural pollution
 - E) opportunity costs
- 41) To restore the balance between private and public goods, producers could be required to bear the full _____ costs of their operations. 41) _____
- A) cultural
 - B) promotional
 - C) safety
 - D) social
 - E) environmental
- 42) For cars, "social costs" include all of the following EXCEPT _____. 42) _____
- A) gasoline shortages
 - B) congestion tolls
 - C) air pollution
 - D) traffic accidents
 - E) traffic congestion

- 43) TerraPass is a company that offers consumers the opportunity to buy carbon offsets, which are contributions to projects that combat global warming by reducing carbon emissions. TerraPass offers contribution packages for driving, flying, and home energy use. Through TerraPass, consumers can pay some of the _____ costs of their private goods and services. 43) _____
- A) safety
 - B) health
 - C) promotional
 - D) social
 - E) distribution
- 44) Cultural pollution could be referred to as _____. 44) _____
- A) zipping or zapping
 - B) a marketer's inability to identify a target market
 - C) commercial noise
 - D) air pollution
 - E) language barriers
- 45) All of the following are examples of cultural pollution EXCEPT _____. 45) _____
- A) commercials during serious programs
 - B) billboards marring beautiful scenery
 - C) spam in an e-mail inbox
 - D) ads in magazines
 - E) street signs in an urban area
- 46) Omar Radwan, a marketing critic, is concerned about the pervasiveness of marketing. He points to advertising messages everywhere, from websites and e-mails to unwanted direct mail and catalogs to television commercials and product tie-ins to billboards and store signage. Omar is concerned about _____. 46) _____
- A) false wants and too much materialism
 - B) deceptive practices
 - C) the balance between private goods and social goods
 - D) high advertising and promotion costs
 - E) cultural pollution
- 47) In response to charges of _____, marketers point out that advertising makes much of television and radio free to users and also keeps down the cost of magazines and newspapers. 47) _____
- A) cultural pollution
 - B) high promotion costs
 - C) too few social goods
 - D) creating false wants
 - E) creating too much materialism
- 48) Cultural pollution continually pollutes people's minds with all of the following messages EXCEPT _____. 48) _____
- A) materialism
 - B) status
 - C) religion
 - D) power
 - E) none of the above

- 49) Large marketing companies can use patents and heavy promotion spending to _____. 49) _____
- A) bear the social costs of their operations
 - B) acquire smaller companies
 - C) set up barriers for others wanting to enter the industry
 - D) offset cultural pollution
 - E) achieve economies of scale
- 50) These statements give the potential advantages of acquisition EXCEPT which one? 50) _____
- A) The acquisition may result in lower costs, leading to lower prices for consumers.
 - B) The acquiring company can gain economies of scale.
 - C) Acquisitions require little government oversight.
 - D) An industry might become more competitive after an acquisition.
 - E) An acquiring company may improve the efficiency of an acquired company.
- 51) Setting prices below cost, threatening to cut off business with suppliers, and discouraging the purchase of a competitor's products are all examples of _____. 51) _____
- A) barriers to entering a market
 - B) routine competition
 - C) excessive materialism
 - D) predatory competition
 - E) acquisitions
- 52) The two major movements to keep business in line are environmentalism and _____. 52) _____
- A) innovation
 - B) regulating interstate commerce
 - C) antimonopoly legislation
 - D) protectionism
 - E) consumerism
- 53) The first organized consumer movement in the United States took place in the early 1900s. It was fueled by all of the following conditions EXCEPT _____. 53) _____
- A) rising prices
 - B) Upton Sinclair's writing
 - C) unsafe merchandise
 - D) scandals in the drug industry
 - E) conditions in the meat industry
- 54) Ralph Nader is most closely associated with _____. 54) _____
- A) enlightened marketing
 - B) the consumerism movement of the 1960s
 - C) consumer-oriented marketing
 - D) the current wave of environmentalism
 - E) the environmentalism movement of the 1960s and 1970s
- 55) _____ is an organized movement of citizens and government agencies to improve the rights and power of buyers in relation to sellers. 55) _____
- A) The Human Relations Movement
 - B) The Bill of Rights
 - C) Grassroots politics
 - D) Consumerism
 - E) Environmentalism

- 56) All of the following are traditional sellers' rights EXCEPT the right to _____. 56) _____
- A) charge any price for the product
 - B) spend any amount to promote the product
 - C) introduce any product in any size and style
 - D) use any buying incentive programs
 - E) promote any product to any audience
- 57) Consumer advocates call for all of the following additional consumer rights EXCEPT the right to _____. 57) _____
- A) be protected against questionable products and marketing practices
 - B) influence products in ways that will improve the quality of life
 - C) be protected from unwanted marketing messages
 - D) influence marketing practices in ways that will improve the quality of life
 - E) be well informed about important product aspects
- 58) Proposals related to the consumer's right to _____ include controlling the ingredients that go into certain products and packaging as well as reducing the level of advertising "noise". 58) _____
- A) not buy a product that is offered for sale
 - B) influence products and marketing practices in ways that will improve the "quality of life"
 - C) be well informed about important aspects of the product
 - D) expect the product to perform as claimed
 - E) be protected against questionable marketing practices
- 59) Proposals _____ include promoting the use of sustainable ingredients, recycling and reducing solid wastes, and managing energy consumption. 59) _____
- A) related to consumer protection
 - B) relating to quality of life
 - C) related to the right to be informed
 - D) related to the right to charge any price for the product
 - E) for preserving the world for future consumption
- 60) _____ is an organized movement of concerned citizens and government agencies to protect and improve people's living environment. 60) _____
- A) Consumerism
 - B) Sense-of-mission marketing
 - C) Enlightened marketing
 - D) Environmentalism
 - E) Social responsibility
- 61) The _____ in the United States came about because of concern for the loss of the atmosphere's ozone layer, toxic wastes, litter, and the damage caused by strip mining and forest depletion. 61) _____
- A) first wave of enlightened marketing
 - B) current wave of environmentalism
 - C) second wave of consumerism
 - D) second wave of modern environmentalism
 - E) first wave of modern environmentalism

- 62) _____ is a management approach that involves developing strategies that both sustain the environment and produce profits for the company. 62) _____
- A) Social responsibility
 - B) Ethical decision making
 - C) New clean technology
 - D) Environmental sustainability
 - E) Consumerism
- 63) Companies emphasizing _____ are developing "green marketing" programs that develop ecologically safer products, recyclable and biodegradable packaging, more energy-efficient operations, and better pollution controls. 63) _____
- A) sustainability vision
 - B) "beyond greening"
 - C) pollution prevention
 - D) new clean technology
 - E) product stewardship
- 64) All of the following are components of both internal and external "greening" and "beyond greening" activities EXCEPT _____. 64) _____
- A) environmentalism
 - B) new clean technology
 - C) product stewardship
 - D) pollution prevention
 - E) sustainability vision
- 65) Nike produces PVC-free shoes, recycles old sneakers, and educates young people about conservation, reuse, and recycling. Nike is using the most basic level of environmental sustainability known as _____. 65) _____
- A) pollution prevention
 - B) new clean technology
 - C) "beyond greening"
 - D) product stewardship
 - E) redlining
- 66) All of the following are components of "green marketing" EXCEPT _____. 66) _____
- A) recycling
 - B) pollution controls
 - C) biodegradability
 - D) cradle-to-cradle practices
 - E) making safer products
- 67) Minimizing pollution from production and all environmental impacts throughout the full product life cycle is called _____. 67) _____
- A) green marketing
 - B) product stewardship
 - C) pollution prevention
 - D) environmental sustainability
 - E) design for environment (DFE)

- 68) ABC, Inc. is currently designing a new product line with the goal of making each one easy to recover, reuse, or recycle. ABC, Inc. hopes to recover many of these products when they reach the end of their lifecycle and reuse components in new ones. ABC, Inc. is in the _____ stage of environmental sustainability. 68) _____
- A) product stewardship
 - B) new clean technology
 - C) beyond greening
 - D) pollution prevention
 - E) sustainability vision
- 69) _____ involves thinking ahead in the design stage to create products that are easier to reuse, recycle, or recover. 69) _____
- A) Design for environment (DFE)
 - B) Strategic planning
 - C) Consumerism
 - D) Societal marketing
 - E) Pollution control
- 70) Xerox Corporation's Equipment Remanufacture and Parts Reuse Program converts end-of-life office equipment into new products and parts. This not only helps sustain the environment, but it is also highly profitable for the company. Such a practice is known as _____. 70) _____
- A) green marketing
 - B) pollution prevention
 - C) a sustainability vision
 - D) new environmental technology
 - E) design for environment (DFE)
- 71) Companies can develop _____, which serves as a guide to the future. It shows how the company's products and services, processes, and policies must evolve and what new technologies must be developed to get there. 71) _____
- A) new clean technology
 - B) cradle-to-cradle practices
 - C) a sustainability vision
 - D) product stewardship
 - E) pollution prevention
- 72) As international trade barriers come down and global markets expand, environmental issues are having _____ impact on international trade. 72) _____
- A) more impact on cultural differences and less
 - B) a greater
 - C) a neutral
 - D) a decreased
 - E) a positive
- 73) The philosophy of _____ holds that a company's marketing should support the best long-run performance of the marketing system. 73) _____
- A) environmentalism
 - B) the free enterprise system
 - C) the sustainable marketing concept
 - D) consumer-oriented marketing
 - E) corporate social responsibility

- 74) All of the following are sustainable marketing principles EXCEPT _____ marketing. 74) _____
- A) value
 - B) customer-value
 - C) innovative
 - D) societal
 - E) consumer-oriented
- 75) Arab Engineering Group views and organizes its marketing activities from the viewpoint of its buyers. Management works hard to sense, serve, and satisfy the needs of its well-defined group of buyers. Which marketing principle does Arab Engineering Group operate? 75) _____
- A) customer-value
 - B) consumer-oriented
 - C) societal
 - D) sense-of-mission
 - E) innovative
- 76) Which sustainable marketing principle requires that a company seek real product and marketing improvements? 76) _____
- A) innovative
 - B) consumer-oriented
 - C) sense-of-mission
 - D) market-oriented
 - E) customer-value
- 77) After Sony and Microsoft kicked the Mario out of Nintendo's GameCube in the Video Game War of 2001, the smallest of the three game platform makers needed a new plan. The resulting Wii system, with its intuitive motion-sensitive controller and interactive games, appealed not only to teen boys but also to their sisters, moms, dads, and even grandparents. The system immediately outsold both the PlayStation 3 and Xbox 360. This is a successful example of _____ marketing. 77) _____
- A) societal
 - B) customer-value
 - C) innovative
 - D) sense-of-mission
 - E) consumer-oriented
- 78) Some firms define their purpose in narrow product terms. Others that define their purpose in broad social terms follow _____. 78) _____
- A) societal marketing
 - B) customer-value marketing
 - C) consumerism
 - D) consumer-oriented marketing
 - E) sense-of-mission marketing

- 79) Timberland employees get 40 hours paid leave each year to pursue volunteer projects. The company runs a service day that hosts projects in 25 countries, and it supports a nonprofit organization that brings young people into public service for a year. CEO Jeffrey Swartz sees such service as a powerful differentiator for Timberland with its current and potential customers. Timberland could be most accurately described as practicing _____. 79) _____
- A) sense-of-mission marketing
 - B) innovative marketing
 - C) consumerism
 - D) sustainability vision
 - E) environmental sustainability
- 80) Dove wanted to do more than just sell its beauty care products. The company was on a quest to discover "real beauty" and help women be happy just the way they are. As a result, the Dove Campaign for Real Beauty was successfully launched in 2004. Dove was practicing which type of marketing? 80) _____
- A) consumer-oriented
 - B) societal
 - C) customer-value
 - D) innovative
 - E) sense-of-mission
- 81) When a company makes marketing decisions by considering consumers' wants and interests, the company's requirements, and society's long-run interests, it is practicing _____ marketing. 81) _____
- A) consumer-oriented
 - B) societal
 - C) sense-of-mission
 - D) customer-value
 - E) value
- 82) What are deficient products? 82) _____
- A) products that have neither immediate appeal nor long-run benefits
 - B) products that are either unsafe or inferior
 - C) products that have low appeal but may benefit consumers in the long run
 - D) any product in the decline stage of the product life cycle
 - E) products that give high immediate satisfaction but only hurt consumers in the long run
- 83) Ziena's Pharmacy store sells cough medicine that is sour and ineffective. This is an example of a _____ product. 83) _____
- A) societal B) desirable C) deficient D) salutary E) pleasing
- 84) A company that makes products that give high immediate satisfaction but may hurt consumers in the long run makes _____ products. 84) _____
- A) deficient
 - B) salutary
 - C) pleasing
 - D) desirable
 - E) threatening

- 85) _____ products give both high immediate satisfaction and high long-run benefits. 85) _____
- A) Threatening
 - B) Salutory
 - C) Pleasing
 - D) Desirable
 - E) Deficient
- 86) Examples of pleasing products include _____. 86) _____
- A) dental services and medications
 - B) seat belts and air bags
 - C) cigarettes and junk food
 - D) bicycle helmets and elbow pads
 - E) fruits and vegetables
- 87) Which of the following is the best example of a desirable product? 87) _____
- A) junk food
 - B) cigarettes
 - C) effective but bad-tasting medicine
 - D) dental insurance
 - E) healthy and delicious breakfast food
- 88) In societal marketing, the ideal goal for companies is to turn all of their products into _____ ones. 88) _____
- A) salutary
 - B) durable
 - C) serviceable
 - D) desirable
 - E) pleasing
- 89) Ideal's front-loading washer provides superior cleaning and energy efficiency. The washer is an example of a _____ product. 89) _____
- A) satisfying
 - B) desirable
 - C) pleasing
 - D) deficient
 - E) salutary
- 90) The challenge for makers of _____ products is to add long-run benefits without reducing the product's pleasing qualities. 90) _____
- A) durable
 - B) salutary
 - C) desirable
 - D) deficient
 - E) pleasing
- 91) The challenge for makers of _____ products is to add some pleasing qualities so that it will become more desirable in the consumers' minds. 91) _____
- A) desirable
 - B) durable
 - C) pleasing
 - D) salutary
 - E) aesthetic
- 92) Baker Enterprises produces several new products that have low appeal but may benefit consumers in the long run. What is the most accurate classification of these products? 92) _____
- A) salutary
 - B) pleasing
 - C) desirable
 - D) deficient
 - E) unpleasing

- 93) Injy Heshmat is a conscientious marketing manager. Sometimes it is unclear what decisions to make when she and her staff are faced with moral dilemmas. Injy and other managers could create broad guidelines that everyone in the organization must follow in the form of _____. 93) _____
- A) corporate marketing ethics policies
 - B) a company mission statement
 - C) a company value statement
 - D) a company vision statement
 - E) a financial statement
- 94) A company that produces and heavily markets cigarettes, with many promotions aimed at young (although legal age) nonsmokers, most likely follows which of the following as a guiding principle? 94) _____
- A) the philosophy that companies should have a social conscience
 - B) the philosophy of consumer-oriented marketing
 - C) the philosophy that companies can do in good conscience whatever the market and legal systems allow
 - D) the philosophy of consumerism
 - E) the philosophy of environmentalism
- 95) Companies must decide what principle they should use as a guide on issues of ethics and social responsibility. All of the following statements are common philosophies to accomplish this end EXCEPT which one? 95) _____
- A) Let the legal system decide.
 - B) Let the free market decide.
 - C) Let individual managers decide.
 - D) Let society decide.
 - E) Let individual companies decide.
- 96) The American Marketing Association (AMA) has created a code of ethics that includes all of the following ethical values EXCEPT _____. 96) _____
- A) honesty
 - B) responsibility
 - C) fairness
 - D) openness
 - E) competitiveness

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 97) Sustainable marketing calls for meeting the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. 97) _____
- 98) The major criticisms of marketing include harming consumers through high prices, deceptive practices, high-pressure selling, shoddy or unsafe products, planned obsolescence, and poor service to disadvantaged countries. 98) _____
- 99) Consumers can rarely buy functional versions of highly promoted branded products at lower prices. 99) _____
- 100) When responding to consumer complaints about high prices, marketers often explain that consumers do not understand the costs involved that justify the prices. 100) _____

- 101) Though marketers may make long-term gains with high-pressure selling tactics, this approach can do serious damage to short-term customer relationships. 101) _____
- 102) Ahmed's Toy Company has been accused of producing shoddy and unsafe children's toys. If Ahmed is typical of most companies, the complaints will center on manufacturer indifference, increased production complexity, and poorly trained labor. 102) _____
- 103) A common accusation aimed at consumer advertising is that it makes you buy things you don't need. 103) _____
- 104) Critics of marketing view consumer interest in material things as a natural state of mind and a matter of false wants created by marketing. 104) _____
- 105) Many marketers have been accused of overselling private goods at the expense of public goods because many private goods require more public services that are usually not forthcoming. 105) _____
- 106) Because some people view business as the cause of many economic and social ills, movements have arisen to keep business in line. The two major movements have been consumerism and effective marketing. 106) _____
- 107) Consumerism's early beginnings were fueled by rising prices, conditions in the meat industry, and scandals in the drug industry in the early 1900s. 107) _____
- 108) Each basic consumer right has led to more specific proposals from consumerists, such as nutritional and ingredient labeling. 108) _____
- 109) Whereas environmentalists consider whether the marketing system is efficiently serving consumer wants, consumerists are concerned with marketing's effects on the environment and with the environmental costs of serving consumer needs and wants. 109) _____
- 110) The management strategy of environmental sustainability focuses on developing ways to sustain the environment while also producing profits. 110) _____
- 111) In the progress toward environmental sustainability, a company must first strive for pollution prevention and product stewardship before developing "beyond greening" plans. 111) _____
- 112) Sustainable marketing consists of five principles: consumer-oriented marketing, customer-value marketing, innovative marketing, sense-of-mission marketing, and societal marketing. 112) _____
- 113) Sunset Lawn Service puts most of its resources into value-building marketing investments. The management at Sunset is practicing customer-value marketing. 113) _____
- 114) New World Food Supplements continuously seeks real product and marketing improvements. Obviously, New World is involved in consumer-oriented marketing. 114) _____
- 115) A company that makes marketing decisions by considering consumers' wants and long-run interests, the company's requirements, and society's long-run interest must be practicing consumer-oriented marketing. 115) _____

- 116) In consumer-oriented marketing, a company defines its mission in broad social terms rather than narrow product terms. 116) _____
- 117) When a company views and organizes its marketing activities from only the consumer's point of view, it is practicing societal marketing. 117) _____
- 118) Seatbelts are considered to be salutary products. 118) _____
- 119) Xorbate Blue is a relatively new food supplement that provides both high immediate satisfaction and high long-run benefits. Xorbate Blue is best classified as a pleasing product. 119) _____
- 120) When a company chooses what principle to follow on issues of ethics and social responsibility, there are two common philosophies to use as guides: first, let the free market and legal system decide, and second, let individual managers and companies choose. 120) _____
- 121) A company must lower its ethical standards to successfully conduct business in countries with lower standards. 121) _____

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 122) Briefly define the four marketing concepts 122) _____
- 123) How do resellers answer criticism of the high costs of distribution? 123) _____
- 124) Explain how marketers and marketing critics disagree about the psychological value of advertising. 124) _____
- 125) The Ministry of Trade and Industry in Egypt established the Consumer Protection Agency (CPA), which introduced a new law on consumer protection. Please discuss that law. 125) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 126) Explain why marketers argue that most companies avoid deceptive practices.
- 127) Explain how the marketing system uses redlining so that disadvantaged consumers are poorly served.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 128) Explain why most marketers avoid deceptive practices. 128) _____
- 129) Why might salespeople use high-pressure selling tactics that do not lead to long-term relationships with customers? 129) _____
- 130) What are two risks a company takes when producing poor quality, harmful, or unsafe products? 130) _____
- 131) Explain the practice of redlining and why it is criticized. 131) _____

132) What is meant by cultural pollution? Give two examples. 132) _____

133) Why are critics concerned about companies acquiring competitors? 133) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

134) Define the consumerism and environmentalism movements.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

135) What is involved in pollution prevention? Give at least one example. 135) _____

136) Why is environmentalism especially challenging for global marketers? 136) _____

137) How is consumer-oriented marketing different from customer-value marketing? 137) _____

138) Explain how a firm benefits from using sense-of-mission marketing. 138) _____

139) How is the societal marketing concept related to marketing ethics? 139) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

140) Describe the ways marketing is accused of harming the consumer.

141) Describe the three different categories of deceptive marketing practices.

142) How do marketers respond to critics' accusations of planned obsolescence?

143) Identify the social costs of increased automobile ownership, and then describe two options for restoring the balance between private and public goods. Give specific examples.

144) How do marketers respond to charges of "commercial noise"?

145) How do consumerism and environmentalism affect marketing strategies?

146) Discuss two components of the environmental sustainability portfolio.

147) Describe the five sustainable marketing principles.

148) Compare and contrast the four types of products in the societal classification of products. Provide examples of each.

149) Compare and contrast the two common principles that can be used to guide companies and marketing managers on issues of ethics and social responsibility.

Answer Key

Testname: UNTITLED13

- 1) D
- 2) E
- 3) B
- 4) D
- 5) A
- 6) A
- 7) D
- 8) D
- 9) B
- 10) A
- 11) D
- 12) E
- 13) C
- 14) E
- 15) D
- 16) D
- 17) B
- 18) C
- 19) D
- 20) B
- 21) E
- 22) B
- 23) A
- 24) D
- 25) E
- 26) C
- 27) E
- 28) A
- 29) D
- 30) E
- 31) E
- 32) C
- 33) C
- 34) A
- 35) C
- 36) E
- 37) E
- 38) C
- 39) B
- 40) B
- 41) D
- 42) B
- 43) D
- 44) C
- 45) E
- 46) E
- 47) A
- 48) C
- 49) C
- 50) C

Answer Key

Testname: UNTITLED13

- 51) D
- 52) E
- 53) C
- 54) B
- 55) D
- 56) E
- 57) C
- 58) B
- 59) E
- 60) D
- 61) E
- 62) D
- 63) C
- 64) A
- 65) A
- 66) D
- 67) B
- 68) A
- 69) A
- 70) E
- 71) C
- 72) B
- 73) C
- 74) A
- 75) B
- 76) A
- 77) C
- 78) E
- 79) A
- 80) E
- 81) B
- 82) A
- 83) C
- 84) C
- 85) D
- 86) C
- 87) E
- 88) D
- 89) B
- 90) E
- 91) D
- 92) A
- 93) A
- 94) C
- 95) D
- 96) E
- 97) TRUE
- 98) TRUE
- 99) FALSE
- 100) TRUE

Answer Key

Testname: UNTITLED13

- 101) FALSE
- 102) FALSE
- 103) TRUE
- 104) FALSE
- 105) TRUE
- 106) FALSE
- 107) TRUE
- 108) TRUE
- 109) FALSE
- 110) TRUE
- 111) FALSE
- 112) TRUE
- 113) TRUE
- 114) FALSE
- 115) FALSE
- 116) FALSE
- 117) FALSE
- 118) TRUE
- 119) FALSE
- 120) TRUE
- 121) FALSE
- 122) Sustainable marketing calls for meeting the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. The marketing concept recognizes that organizations thrive from day to day by determining the current needs and wants of target group customers and fulfilling those needs and wants more effectively and efficiently than the competition. The societal marketing concept considers the future welfare of consumers while the strategic planning concept considers future company needs.
- 123) Resellers argue that intermediaries provide services that customers want, such as more convenience, more service, longer store hours, and return privileges. Also, retail competition is so intense that profit margins are actually quite low.
- 124) Marketing critics believe that the psychological value which advertising may add to a product is not worth the higher retail prices that must be charged to finance this advertising. Marketers believe that consumers want and are willing to pay more for the psychological benefits — such as feeling wealthy, attractive, or special — created by this advertising.
- 125) The law aims to regulate the unbalanced consumer—trader relations, by monitoring trade transactions and enforcing consumer/trader binding laws and regulations. The CPA aims to raise awareness about the new law, and to enable consumers to protect their rights in case they face any problems when purchasing a product.
- 126) Because deceptive practices harm their business in the long run, they simply aren't sustainable. Profitable customer relationships are built upon a foundation of value and trust. If consumers do not get what they expect, they will switch to more reliable products. In addition, consumers usually protect themselves from deception. Most consumers recognize a marketer's selling intent and are careful when they buy, sometimes to the point of not believing completely true product claims.
- 127) Critics claim that the urban poor often have to shop in smaller stores that carry inferior goods and charge higher prices. The presence of large national chain stores in low-income neighborhoods would help to keep prices down. However, the critics accuse major chain retailers of "redlining", drawing a red line around disadvantaged neighborhoods and avoiding placing stores there.
- 128) Deceptive practices make consumers believe they are buying something more than what they are actually getting; when consumers do not get what they expect, they will switch to more reliable products. Deceptive practices prohibit marketers from building value and trust with their customers, both keys to profitable customer relationships.
- 129) Salespeople might be more motivated by short-term gains, particularly when sales contests promise big rewards to those who sell most.

Answer Key

Testname: UNTITLED13

- 130) Companies that market shoddy, harmful, or unsafe products risk damaging their reputation, conflicts with consumer groups and regulators, liability lawsuits, and loss of customers.
- 131) Redlining is a type of economic discrimination in which major chain retailers avoid placing stores in disadvantaged neighborhoods. Because of this, the urban poor do not have as many shopping options and must buy their goods in smaller stores that carry inferior products and charge higher prices.
- 132) Cultural pollution is the constant assault on our senses by advertising. Examples will vary but may include: commercials that interrupt serious programs, pages of ads that obscure magazines, spam that fills e-mail inboxes, and billboards that mar beautiful scenery.
- 133) Critics are concerned that such acquisitions harm the acquired firms and reduce competition within an industry; also, there is concern that acquisitions discourage new competitors from entering the market.
- 134) Consumerism is an organized social movement intended to strengthen the rights and power of consumers relative to sellers. Environmentalism, also an organized social movement, seeks to minimize the harm done to the environment and quality of life by marketing practices. Citizens and government agencies are involved in both movements.
- 135) Pollution prevention means more than pollution control, or the cleaning up of waste after it has been created. It involves the elimination or minimization of waste before it is created. Biodegradable packaging, better pollution controls, and more energy-efficient operations are all examples of pollution prevention.
- 136) As international barriers come down and global marketers expand, environmental issues are having an even greater impact on international trade; different standards between various countries make environmentalism especially challenging. Also, environmental factors that motivate consumers in one country may not concern consumers in another country at all.
- 137) Consumer-oriented marketing means that the company should view and organize its marketing activities from the consumer's point of view; customer-value marketing takes that a step further, as the company puts most of its resources into customer-value-building marketing investments.
- 138) Sense-of-mission marketing means that the company should define its mission in broad *social* terms rather than narrow *product* terms; when a company defines a social mission, employees feel better about their work and have a clearer sense of direction.
- 139) The societal marketing concept requires a company and its marketing managers to work out a philosophy of responsible and ethical behavior, looking beyond what is legal and allowed and developing standards based on personal integrity, corporate conscience, and long-run consumer welfare.
- 140) Marketers are charged with causing prices to be higher than they need to be. They are sometimes accused of deceptive practices that lead consumers to believe they will get more value than they actually do. Sometimes salespeople pressure consumers to purchase products they neither want nor can afford. Others are accused of selling shoddy or unsafe products. Others are blamed for developing products that become obsolete before they actually need replacement. Last, marketers are accused of delivering poor service to disadvantaged consumers or not making products available to them.
- 141) Deceptive pricing includes practices such as falsely advertising factory or wholesale prices or advertising a large price reduction from a phony high retail list price. Deceptive promotion includes practices such as misrepresenting the product's features or performance or luring customers to the store for a bargain that is out of stock. Deceptive packaging includes exaggerating package contents through subtle design, using misleading labeling, or describing size in misleading terms.
- 142) Marketers respond that consumers like style changes; they get tired of the old goods and want a new look in fashion. Or they want the latest high-tech innovations, even if older models still work. No one has to buy the new product, and if too few people like it, it will simply fail. Finally, most companies do not design their products to break down earlier, because they do not want to lose customers to other brands. Instead, they seek constant improvement to ensure that products will consistently meet or exceed customer expectations. Much of the so-called planned obsolescence is the working of the competitive and technological forces in a free society – forces that lead to ever-improving goods and services.

Answer Key

Testname: UNTITLED13

- 143) For cars, some of the social costs include traffic congestion, gasoline shortages, and air pollution. One option for restoring the balance between private and public goods is to make producers bear the full social costs of their operations. The government could require automobile manufacturers to build cars with more efficient engines and better pollution control systems. Automakers would then raise their prices to cover extra costs.

A second option is to make consumers pay the social costs. For example, many cities around the world are starting to charge "congestion tolls" in an effort to reduce traffic congestion; drivers entering high-traffic areas are required to pay a fee. Similarly, the U.S. government has recently proposed a bill that would create rush-hour fees in congested urban areas across the country. If the costs of driving increase enough, the government hopes, consumers will travel at nonpeak times or find alternative transportation modes.

- 144) Marketers answer the charges of "commercial noise" with the following arguments. First, they hope that their ads reach primarily the target audience. But because of mass-communication channels, some ads are bound to reach people who have no interest in the product and are therefore bored or annoyed. People who buy magazines addressed to their interests — such as *Vogue* or *Fortune* — rarely complain about the ads because the magazines advertise products of interest.

Second, ads enable much of television and radio to be free to users and keep down the costs of magazines and newspapers. Many people think commercials are a small price to pay for these benefits. Consumers find many television commercials entertaining and seek them out—for example, ad viewership during the Super Bowl usually equals game viewership. Finally, today's consumers have alternatives. For example, they can zip or zap TV commercials on recorded programs or avoid them altogether on many paid cable or satellite channels. Thus, to hold consumer attention, advertisers are making their ads more entertaining and informative.

- 145) Alert marketers view consumerism as an opportunity to serve consumers better by providing more information, education, and protection. Environmental groups have improved conditions in many industries, including the meat and drug industries, and have helped pass legislation to protect the environment. The latest move is for companies to be proactive and take the responsibility for not doing environmental harm. They are practicing environmental sustainability by developing strategies that both sustain the environment and produce profits for the company. Many companies have responded positively to consumerism and environmentalism as ways to create greater customer value and to strengthen customer relationships.
- 146) At the most basic level, a company can practice pollution prevention. This involves more than pollution control (cleaning up waste after it has been created): it means eliminating or minimizing waste before it is created. Companies emphasizing prevention have responded with internal "green marketing" programs — designing and developing ecologically safer products, recyclable and biodegradable packaging, better pollution controls, and more energy-efficient operations. At the next level, companies can practice product stewardship — minimizing not just pollution from production and product design but all environmental impacts throughout the full product life cycle, and reducing costs at the same time. Many companies are adopting design for environment (DFE) and cradle-to-cradle practices. This involves thinking ahead to design products that are easier to recover, reuse, recycle, or safely return to nature after usage, becoming part of the ecological cycle. (Answers will vary to include new-clean technology and sustainability vision.)
- 147) Consumer-oriented marketing acts from the consumers' point of view. Innovative marketing seeks real product and marketing improvements. Customer-value marketing exists when a firm puts most of its resources into value-building investments. When a company defines its mission in broad social terms rather than narrow product terms, it is practicing sense-of-mission marketing. Finally, societal marketing exists when the company makes its decisions by considering its own, consumers', and society's long-run interests.

Answer Key

Testname: UNTITLED13

- 148) Deficient products are at the bottom because they have neither immediate appeal nor long-run benefits. Desirable products are at the top because they give both high immediate satisfaction and high long-run benefits. In between are pleasing products and salutary products. Pleasing products give high immediate satisfaction but may hurt consumers in the long run. Salutary products have low appeal but may benefit consumers in the long run. Examples will vary but may include some of the following: cigarettes, junk food, sour-tasting ineffective medicine, seat-belts, and tasty, nutritious breakfast foods.
- 149) One principle states that such issues should be decided by the free market and legal system. A second, and more enlightened principle, puts responsibility not in the system but in the hands of individual companies and managers. Each firm and marketing manager must work out a philosophy of socially responsible and ethical behavior. Under the societal marketing concept, managers must look beyond what is legal and allowable and develop standards based on personal integrity, corporate conscience, and long-term consumer welfare.