

Marketing: An Introduction, 10e (Armstrong/Kotler)
Chapter 5 Understanding Consumer and Business Buyer Behavior

1) _____ is never simple, yet understanding it is the essential task of marketing management.

- A) Brand personality
- B) Consumption pioneering
- C) Early adoption
- D) Consumer buying behavior
- E) Understanding the difference between primary and secondary data

Answer: D

Diff: 1 Page Ref: 136

Skill: Concept

Objective: 5-1

2) The consumer market is made up of which of the following?

- A) individuals who acquire goods or services for personal consumption
- B) households that purchase goods or services for personal consumption
- C) businesses that purchase goods and services
- D) A and B
- E) all of the above

Answer: D

Diff: 2 Page Ref: 136

Skill: Concept

Objective: 5-1

3) Of the following, the best starting point to understanding how consumers respond to various marketing efforts is the _____ model of a buyer's behavior.

- A) belief
- B) subculture
- C) generational
- D) stimulus-response
- E) societal

Answer: D

Diff: 2 Page Ref: 137

Skill: Concept

Objective: 5-1

4) Marketing stimuli consist of the four Ps. Which is NOT one of these Ps?

- A) product
- B) politics
- C) price
- D) promotion
- E) place

Answer: B

Diff: 1 Page Ref: 137

Skill: Concept

Objective: 5-1

5) Economic, technological, and cultural forces are all _____ in the stimulus-response model of buyer behavior.

- A) buyer responses
- B) stimuli
- C) components of the buyer's decision process
- D) buyer characteristics
- E) buying attitudes

Answer: B

Diff: 2 Page Ref: 137

Skill: Concept

Objective: 5-1

6) In the model of buyer behavior, which of the following is NOT a major type of force or event in the buyer's environment?

- A) economic
- B) technological
- C) political
- D) channels
- E) cultural

Answer: D

Diff: 2 Page Ref: 137

Skill: Concept

Objective: 5-1

7) The marketer wants to understand how the stimuli are changed into responses inside the consumer's _____, which has two parts: the buyer's characteristics that influence how he or she perceives and reacts to the stimuli and the buyer's decision process itself.

- A) culture
- B) black box
- C) belief
- D) lifestyle
- E) social class

Answer: B

Diff: 2 Page Ref: 137

Skill: Concept

Objective: 5-1

8) _____ is(are) the most basic cause(s) of a person's wants and behavior.

- A) Culture
- B) Brand personality
- C) Cognitive dissonance
- D) Social factors
- E) Selective perception

Answer: A

Diff: 2 Page Ref: 138

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

9) It is most accurate to say that marketers are always trying to spot _____ in order to discover new products that might be wanted.

- A) lifestyles
- B) cultural shifts
- C) groups
- D) dissonance
- E) attitudes

Answer: B

Diff: 3 Page Ref: 138

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

10) Each culture contains smaller _____, or groups of people with shared value systems based on common life experiences and situations.

- A) alternative evaluations
- B) cognitive dissonances
- C) subcultures
- D) social classes
- E) occupations

Answer: C

Diff: 1 Page Ref: 138

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

11) Which of the following do marketers NOT consider as an important American subculture?

- A) Hispanics
- B) African Americans
- C) mature consumers
- D) opinion leaders
- E) Asian Americans

Answer: D

Diff: 1 Page Ref: 138

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

12) This group of consumers tends to buy more branded, higher-quality products. and to make shopping a family event, with children having a big say in the purchase decision. In general, they are very brand loyal, and they favor companies who show special interest in them.

- A) Hispanic
- B) African American
- C) Asian
- D) mature
- E) gay and lesbian

Answer: A

Diff: 3 Page Ref: 138

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-2

13) _____, the fastest-growing U.S. demographic segment, now number more than 46 million.

- A) African Americans
- B) Hispanics
- C) Asian Americans
- D) Mature consumers
- E) Gays and lesbians

Answer: B

Diff: 3 Page Ref: 138-139

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

14) Although more price-conscious than other segments, _____ consumers tend to be strongly motivated by quality and selection. Brands are important. They enjoy shopping and are more fashion conscious than other ethnic groups.

- A) Hispanic
- B) African American
- C) mature
- D) Asian
- E) baby boomer

Answer: B

Diff: 3 Page Ref: 139

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

15) _____, the most affluent U.S. demographic subculture, now have more than \$450 billion in annual spending power.

- A) African Americans
- B) Hispanics
- C) Asian Americans
- D) Gen Xers
- E) Gays and lesbians

Answer: C

Diff: 3 Page Ref: 139

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

16) Which of the following is NOT true of mature consumers?

- A) The best strategy is to appeal to their active, multidimensional lives.
- B) They are an ideal market for "do-it-for-me" services.
- C) High-tech home entertainment products appeal to them.
- D) They place more importance on brand names and are more brand loyal than members of other age groups are.
- E) They are good candidates for cosmetics and personal care products.

Answer: D

Diff: 2 Page Ref: 140

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

17) _____ are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors.

- A) Social classes
- B) Cultures
- C) Reference groups
- D) Attitudes
- E) Lifestyles

Answer: A

Diff: 1 Page Ref: 140

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

18) What is one way that social class is NOT measured?

- A) occupation
- B) education
- C) income
- D) number of children in the family
- E) house type

Answer: D

Diff: 2 Page Ref: 140

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

19) Which statement is true regarding social class in the United States?

- A) Social class is determined primarily by income level.
- B) Lines between social classes in the United States are fixed and rigid.
- C) Social classes show distinct product preferences in clothing and automobiles.
- D) Wealth is more critical than education level in measuring social class.
- E) People are relegated to a permanent class layer in the United States.

Answer: C

Diff: 3 Page Ref: 141

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

20) Family is one of the _____ factors that influence consumer behavior.

- A) cultural
- B) social
- C) personal
- D) psychological
- E) business

Answer: B

Diff: 2 Page Ref: 141

Skill: Concept

AACSB: Communication

Objective: 5-1

21) _____ are groups to which an individual wishes to belong, as when a teenage basketball player hopes to play someday for the Los Angeles Lakers.

- A) Membership groups
- B) Aspirational groups
- C) Leading adopter groups
- D) Leisure groups
- E) Social class groups

Answer: B

Diff: 2 Page Ref: 141

Skill: Concept

Objective: 5-1

22) _____ are people within a reference group who, because of special skills, knowledge, personality, or other characteristics, exert influence on others.

- A) Opinion leaders
- B) Habitual buyers
- C) Social networkers
- D) Stealth marketers
- E) Buzz marketers

Answer: A

Diff: 1 Page Ref: 142

Skill: Concept

AACSB: Communication

Objective: 5-1

23) Opinion leaders are sometimes referred to as _____.

- A) the influentials
- B) the upper class
- C) the middle class
- D) buzz marketers
- E) networkers

Answer: A

Diff: 2 Page Ref: 142

Skill: Concept

AACSB: Communication

Objective: 5-1

24) Many companies, such as JetBlue and Sony, enlist everyday consumers who are enthusiastic about their brands to become _____ who share their passion for a company's products with large circles of friends and acquaintances in return for insider knowledge and other rewards.

- A) early adopters
- B) brand ambassadors
- C) direct marketers
- D) direct sellers
- E) aspirational consumers

Answer: B

Diff: 2 Page Ref: 143-144

Skill: Concept

AACSB: Communication

Objective: 5-1

25) Companies who use brand ambassadors are participating in _____.

- A) opinion leading
- B) traditional marketing
- C) buzz marketing
- D) direct marketing
- E) values marketing

Answer: C

Diff: 2 Page Ref: 142

Skill: Concept

AACSB: Communication

Objective: 5-1

26) Facebook.com and YouTube are examples of _____.

- A) buzz marketing
- B) opinion leaders
- C) social networks
- D) virtual worlds
- E) early adopters

Answer: C

Diff: 2 Page Ref: 142

Skill: Concept

AACSB: Use of IT

Objective: 5-1

27) _____ is the most important consumer buying organization in society; the roles and influences of different members have been researched extensively.

- A) Family
- B) Social class
- C) Membership group
- D) Subculture
- E) Reference group

Answer: A

Diff: 2 Page Ref: 145

Skill: Concept

Objective: 5-1

28) A _____ consists of the activities people are expected to perform according to the persons around them.

- A) motive
- B) role
- C) lifestyle
- D) life-cycle
- E) tradition

Answer: B

Diff: 2 Page Ref: 146

Skill: Concept

AACSB: Communication

Objective: 5-1

29) A buyer's decisions are influenced by _____ such as the buyer's age and life-cycle stage, occupation, economic situation, lifestyle, and personality and self-concept.

- A) personal characteristics
- B) reference groups
- C) perceptions
- D) attitudes
- E) psychographics

Answer: A

Diff: 2 Page Ref: 146

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

30) People change the goods and services they buy over time because of the two changing factors of _____.

- A) belief and attitude
- B) perception and personality
- C) age and life-cycle stage
- D) groups and learning
- E) family and tradition

Answer: C

Diff: 2 Page Ref: 146

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

31) _____ is a person's pattern of living as expressed in his or her psychographics, including his or her activities, interests, and opinions.

- A) Personality
- B) Culture
- C) Lifestyle
- D) Motive
- E) Social class

Answer: C

Diff: 2 Page Ref: 147

AACSB: Communication

Objective: 5-1

32) All of the following make up a person's lifestyle EXCEPT _____.

- A) AIO dimensions
- B) interests
- C) dissonance-reducing buying behavior
- D) opinions
- E) work

Answer: C

Diff: 2 Page Ref: 147

Skill: Concept

Objective: 5-1

33) A customer's lifestyle can be measured using the AIO dimensions. What does AIO stand for?

- A) Activities, Interests, Opinions
- B) Achievement, Involvement, Organizations
- C) Accommodation, Investment, Orientation
- D) Acknowledgement, Interests, Observations
- E) Adoptions, Interests, Occupations

Answer: A

Diff: 2 Page Ref: 147

Skill: Concept

Objective: 5-1

34) _____ refers to the unique psychological characteristics that lead to relatively consistent and lasting responses to one's own environment. It is usually described in traits such as self-confidence, dominance, sociability, autonomy, defensiveness, adaptability, and aggressiveness.

- A) Alternative evaluations
- B) Belief
- C) Culture
- D) Personality
- E) Self-awareness

Answer: D

Diff: 2 Page Ref: 148

Skill: Concept

Objective: 5-1

35) Researchers found that a number of well-known brands tended to be strongly associated with one particular trait, such as Jeep with "ruggedness." Which of the following terms would a marketer use to describe a specific mix of human traits that may be attributed to a particular brand?

- A) brand perception
- B) product image
- C) brand personality
- D) new product
- E) brand equity

Answer: C

Diff: 1 Page Ref: 148

Skill: Concept

Objective: 5-1

36) Brand personality is a mix of human traits attributed to a brand. Which of the following is NOT one of the five brand personality traits discussed in your text?

- A) sincerity
- B) excitement
- C) competence
- D) sophistication
- E) emotion

Answer: E

Diff: 3 Page Ref: 148

Skill: Concept

Objective: 5-1

37) A person's buying choices are influenced by four major psychological factors. Which is NOT one of these factors?

- A) motivation
- B) perception
- C) alternative evaluation
- D) learning
- E) beliefs

Answer: C

Diff: 2 Page Ref: 148

Skill: Concept

Objective: 5-1

38) A _____ is a need that is sufficiently pressing to direct a person to seek satisfaction.

- A) stimulus
- B) motive
- C) culture
- D) perception
- E) tradition

Answer: B

Diff: 1 Page Ref: 148

Skill: Concept

Objective: 5-1

39) According to Freud's theories, people are _____ many of the psychological forces shaping their behavior.

- A) unaware of
- B) unsure of
- C) aware of
- D) status-driven about
- E) socially conscious of

Answer: A

Diff: 2 Page Ref: 148

Skill: Concept

Objective: 5-1

40) The term _____ refers to qualitative research designed to probe consumers' hidden, subconscious motivations.

- A) perception analysis
- B) neuromarketing research
- C) motivation research
- D) need recognition investigation
- E) depth research technique

Answer: C

Diff: 1 Page Ref: 149

Skill: Concept

Objective: 5-1

41) Maslow's theory is that _____ can be arranged in a hierarchy.

- A) stimuli
- B) beliefs and attitudes
- C) perceptions
- D) human needs
- E) decisions

Answer: D

Diff: 2 Page Ref: 149

Skill: Concept

Objective: 5-1

42) Which of the following is NOT part of Maslow's Hierarchy of Needs?

- A) physiological needs
- B) safety needs
- C) stimulus needs
- D) self-actualization needs
- E) social needs

Answer: C

Diff: 2 Page Ref: 149

Skill: Concept

Objective: 5-1

43) What is the LEAST pressing in Maslow's Hierarchy of Needs?

- A) physiological needs
- B) social needs
- C) esteem needs
- D) self-actualization needs
- E) safety needs

Answer: D

Diff: 2 Page Ref: 149

Skill: Concept

Objective: 5-1

44) _____ is the process by which people select, organize, and interpret information to form a meaningful picture of the world.

- A) Personality
- B) Perception
- C) Selective grouping
- D) Learning
- E) Self-actualization

Answer: B

Diff: 2 Page Ref: 149

Skill: Concept

AACSB: Communication

Objective: 5-1

45) People cannot focus on all of the stimuli that surround them each day. A person's tendency to screen out most of the information to which he or she is exposed is called _____.

- A) selective retention
- B) selective distortion
- C) selective attitude
- D) selective attention
- E) selective perception

Answer: D

Diff: 2 Page Ref: 150

Skill: Concept

AACSB: Communication

Objective: 5-1

46) People tend to interpret new information in a way that will support what they already believe. This is called _____.

- A) selective retention
- B) selective distortion
- C) selective attitude
- D) selective learning
- E) selective perception

Answer: B

Diff: 2 Page Ref: 150

Skill: Concept

AACSB: Communication

Objective: 5-1

47) People forget much that they learn. They tend to retain information that supports their attitudes and beliefs. This is called _____.

- A) selective retention
- B) selective distortion
- C) selective attitude
- D) selective attention
- E) perceptual vigilance

Answer: A

Diff: 2 Page Ref: 150

Skill: Concept

AACSB: Communication

Objective: 5-1

48) Some consumers worry that they will be affected by marketing messages without even knowing it. They are concerned about _____ advertising.

- A) alternative evaluation
- B) subliminal
- C) perceptual
- D) innovative
- E) comparative

Answer: B

Diff: 1 Page Ref: 150

Skill: Concept

AACSB: Communication

Objective: 5-1

49) _____ describes changes in an individual's behavior arising from experience.

- A) Lifestyle
- B) Learning
- C) Perception
- D) Cognitive dissonance
- E) Aggressiveness

Answer: B

Diff: 1 Page Ref: 150

Skill: Concept

Objective: 5-1

50) Learning occurs through the interplay of all of the following EXCEPT _____.

- A) drives
- B) stimuli
- C) cues
- D) dissonance behavior
- E) reinforcement

Answer: D

Diff: 3 Page Ref: 150

Skill: Concept

AACSB: Communication

Objective: 5-1

51) _____ are subtle stimuli that influence where, when, and how a person responds to an idea.

- A) Cues
- B) Drives
- C) Messages
- D) Personalities
- E) Impulses

Answer: A

Diff: 3 Page Ref: 150

Skill: Concept

AACSB: Communication

Objective: 5-1

52) Applying _____, marketers can affect demand for a product by associating it with strong drives, using motivating cues, and providing positive reinforcement.

- A) subliminal advertising
- B) social classes
- C) learning theory
- D) need recognition
- E) cognitive dissonance

Answer: C

Diff: 3 Page Ref: 151

Skill: Concept

AACSB: Communication

Objective: 5-1

53) A(n) _____ is a descriptive thought that a person has about something.

- A) lifestyle
- B) motive
- C) belief
- D) attitude
- E) perception

Answer: C

Diff: 2 Page Ref: 151

Skill: Concept

Objective: 5-1

54) A(n) _____ is a person's relatively consistent evaluations, feelings, and tendencies toward an object or idea.

- A) lifestyle
- B) motive
- C) belief
- D) attitude
- E) perception

Answer: D

Diff: 2 Page Ref: 151

AACSB: Communication

Objective: 5-2

55) The buyer decision process consists of five stages. Which of the following is NOT one of these stages?

- A) need recognition
- B) information search
- C) variety-seeking buying behavior
- D) purchase decision
- E) postpurchase behavior

Answer: C

Diff: 3 Page Ref: 151

Skill: Concept

Objective: 5-2

56) The buying process starts with _____, in which the buyer recognizes a problem or need.

- A) need recognition
- B) information search
- C) evaluation of alternatives
- D) purchase decision
- E) separation of needs and wants

Answer: A

Diff: 1 Page Ref: 152

Skill: Concept

Objective: 5-2

57) If the consumer's drive is strong and a satisfying product is near at hand, the consumer is likely to buy it then. If not, the consumer may store the need in memory or undertake a(n)

- A) brand personality
- B) alternative evaluation
- C) postpurchase behavior
- D) information search
- E) product adoption

Answer: D

Diff: 3 Page Ref: 152

Skill: Concept

Objective: 5-2

58) The information sources that are most effective at influencing a consumer's purchase decision are _____. These sources legitimize or evaluate products for the buyer.

- A) commercial
- B) public
- C) experimental
- D) personal
- E) social

Answer: D

Diff: 3 Page Ref: 152

Skill: Concept

AACSB: Communication

Objective: 5-2

59) Marketers describe the way the consumer processes information to arrive at brand choices as

- A) alternative evaluation
- B) information search
- C) purchase decision
- D) situational factors
- E) post-purchase dissonance

Answer: A

Diff: 1 Page Ref: 153

Skill: Concept

Objective: 5-2

60) Generally, the consumer's purchase decision will be to buy the most preferred brand, but two factors can come between the purchase intention and the purchase decision. Which of the following is one of these factors?

- A) postpurchase behavior
- B) attitude of others
- C) cognitive dissonance
- D) alternative evaluation
- E) new product adoption

Answer: B

Diff: 3 Page Ref: 153

Skill: Concept

Objective: 5-2

61) After purchasing a product, the consumer will be satisfied or dissatisfied and will engage in _____.

- A) need recognition
- B) alternative evaluation
- C) postpurchase behavior
- D) product expectations
- E) information searches

Answer: C

Diff: 1 Page Ref: 153

Skill: Concept

Objective: 5-2

62) The relationship between the consumer's expectations and the product's _____ determines whether the buyer is satisfied or dissatisfied with a purchase.

- A) perceived performance
- B) brand personality
- C) recognition
- D) consumer market
- E) service quality

Answer: A

Diff: 1 Page Ref: 153

Skill: Concept

Objective: 5-2

63) Almost all major purchases result in _____, or discomfort caused by postpurchase conflict.

- A) need recognition
- B) cognitive dissonance
- C) purchase decisions
- D) legitimization
- E) dissatisfaction

Answer: B

Diff: 2 Page Ref: 154

Skill: Concept

Objective: 5-2

64) Consumers learn about new products for the first time and make the decision to buy them during the _____.

- A) new product recognition
- B) adoption process
- C) evaluation process
- D) information search
- E) quality assessment

Answer: B

Diff: 2 Page Ref: 154

Skill: Concept

Objective: 5-3

65) Relative advantage, compatibility, complexity, divisibility, and communicability are all examples of _____.

- A) alternative evaluation
- B) dissonance-reducing buying behavior
- C) product characteristics that influence rate of adoption
- D) individual differences in innovativeness
- E) postpurchase behavior

Answer: C

Diff: 3 Page Ref: 156

Skill: Concept

Objective: 5-3

66) As compared to consumer markets, business markets are _____.

- A) approximately the same
- B) smaller
- C) huge
- D) somewhat larger
- E) less complex

Answer: C

Diff: 1 Page Ref: 157

Skill: Concept

Objective: 5-4

67) Which of the following is NOT a way that business and consumer markets differ?

- A) satisfaction of needs through purchases
- B) market structure and demand
- C) nature of the buying unit
- D) types of decisions
- E) decision process

Answer: A

Diff: 2 Page Ref: 157

Skill: Concept

Objective: 5-4

68) Large business purchasers usually call for detailed product specifications, written purchase orders, careful supplier searches, and formal approval. These are all examples of how the business buying decision process is more _____ than the consumer buying decision process is.

- A) formalized
- B) creative
- C) relationship-oriented
- D) independent
- E) concentrated

Answer: A

Diff: 2 Page Ref: 160

Skill: Concept

Objective: 5-4

69) Which business buying situation is the marketer's greatest opportunity and challenge?

- A) modified rebuy
- B) straight rebuy
- C) new task
- D) multiple rebuys
- E) system rebuy

Answer: C

Diff: 2 Page Ref: 161

Skill: Concept

Objective: 5-4

70) Marketers call the decision-making unit of a buying organization the _____.

- A) business buyer
- B) business-to-business market
- C) supplier-development center
- D) buying system
- E) buying center

Answer: E

Diff: 2 Page Ref: 162

Skill: Concept

Objective: 5-4

71) Which of the following statements about buying centers is true?

- A) The buying center is like a standing committee.
- B) The buying center roles are specified on the organizational chart.
- C) The typical buying center has five employees, one to assume each of the buying center's roles.
- D) An individual's role in the buying center does not change.
- E) The buying center may involve informal participants who are not obvious to sellers.

Answer: E

Diff: 3 Page Ref: 162

Skill: Concept

Objective: 5-4

72) The first step of the business buying process is _____.

- A) general need description
- B) supplier search
- C) proposal solicitation
- D) problem recognition
- E) order-routine specification

Answer: D

Diff: 1 Page Ref: 164

Skill: Concept

Objective: 5-5

73) During which stage of the business buying process is a buyer most likely to conduct value analysis, carefully studying components to determine if they can be redesigned, standardized, or made less expensive?

- A) general need recognition
- B) product specification
- C) proposal solicitation
- D) order-routine specification
- E) performance review

Answer: B

Diff: 2 Page Ref: 164

Skill: Concept

Objective: 5-5

74) Reverse auctions, trading exchanges, and company buying sites are all ways that companies can participate in _____.

- A) secure extranets
- B) product value analysis
- C) vendor-managed inventory systems
- D) systems selling
- E) e-procurement

Answer: E

Diff: 2 Page Ref: 166

Objective: 5-5

75) A problem with the rapidly expanding use of e-purchasing is that it _____.

- A) can erode established customer-supplier relationships
- B) saves less time than expected
- C) generates more transactions to document
- D) generates less cost savings than predicted
- E) reduces the amount of time purchasing people can spend on strategic issues

Answer: A

Diff: 2 Page Ref: 167

Skill: Concept

AACSB: Use of IT

Objective: 5-5

76) The starting point of understanding how consumers respond to various marketing efforts is called the marketing-stimulus model of buyer behavior.

Answer: FALSE

Diff: 2 Page Ref: 137

Skill: Concept

AACSB: Communication

Objective: 5-1

77) Each social class contains groups of people with shared value systems based on common life experiences and situations.

Answer: FALSE

Diff: 2 Page Ref: 138

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

78) Younger consumers are better off financially than mature consumers. They are the ideal market for travel, restaurants, high-tech home entertainment products, and leisure goods and services.

Answer: FALSE

Diff: 1 Page Ref: 140

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

79) Subcultures are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors.

Answer: FALSE

Diff: 2 Page Ref: 140

Skill: Concept

AACSB: Multicultural and Diversity

Objective: 5-1

80) Online social networks represent an important form of buzz for marketers.

Answer: TRUE

Diff: 1 Page Ref: 142

Skill: Concept

AACSB: Use of IT

Objective: 5-1

81) Children exert little influence on family buying decisions, particularly in areas such as entertainment and food.

Answer: FALSE

Diff: 2 Page Ref: 145

Skill: Concept

AACSB: Communication

Objective: 5-1

82) Personality is a person's pattern of living as expressed in his or her psychographics.

Answer: FALSE

Diff: 1 Page Ref: 147

Skill: Concept

Objective: 5-1

83) A person's buying choices are influenced by four major psychological factors: motivation, perception, learning, and beliefs and attitudes.

Answer: TRUE

Diff: 2 Page Ref: 148

Skill: Concept

AACSB: Communication

Objective: 5-1

84) Maslow's theory is that human needs—including physiological, safety, social needs, esteem, and self-actualization needs—are arranged in a hierarchy and that an unsatisfied need motivates an individual to take action to satisfy it.

Answer: TRUE

Diff: 2 Page Ref: 149

Skill: Concept

Objective: 5-1

85) Alternative evaluation is the process by which people select, organize, and interpret information to form a meaningful picture of the world.

Answer: FALSE

Diff: 3 Page Ref: 149

Skill: Concept

AACSB: Communication

Objective: 5-1

86) A belief is the specific mix of human traits that may be attributed to a particular brand.

Answer: FALSE

Diff: 2 Page Ref: 151

Skill: Concept

Objective: 5-1

87) Consumers do not use a simple and single alternative evaluation process in all buying situations.

Answer: TRUE

Diff: 2 Page Ref: 153

Skill: Concept

AACSB: Communication

Objective: 5-2

88) After purchasing the product, the consumer will be satisfied or dissatisfied and will engage in postpurchase behavior.

Answer: TRUE

Diff: 1 Page Ref: 153

Skill: Concept

Objective: 5-2

89) Almost all major purchases result in cognitive dissonance, or discomfort caused by postpurchase conflict.

Answer: TRUE

Diff: 1 Page Ref: 154

Skill: Concept

Objective: 5-2

90) When a consumer learns about a new product for the first time and makes a decision to try it, the consumer is engaged in the alternative evaluation process.

Answer: FALSE

Diff: 2 Page Ref: 154

Skill: Concept

AACSB: Communication

Objective: 5-3

91) People differ greatly in their readiness to try new products. In each product area, there are "consumption pioneers." They are also called laggards.

Answer: FALSE

Diff: 2 Page Ref: 155

Skill: Concept

Objective: 5-3

92) Early adopters are opinion leaders in their communities and adopt new ideas early but carefully.

Answer: TRUE

Diff: 2 Page Ref: 155

Skill: Concept

Objective: 5-3

93) Members of the early majority are deliberate; although they rarely are leaders, they adopt new ideas before the average person.

Answer: TRUE

Diff: 2 Page Ref: 155

Skill: Concept

Objective: 5-3

94) The late majorities are tradition bound; they adopt an innovation only when it has become something of a tradition itself.

Answer: FALSE

Diff: 2 Page Ref: 155

Skill: Concept

Objective: 5-3

95) In general, innovators tend to be relatively older, more mature, and have a lower income than late adopters.

Answer: FALSE

Diff: 2 Page Ref: 155

Skill: Concept

Objective: 5-3

96) Ed purchases new technological devices such as PDAs, DVRs, and MP3 players after many people he knows already own the devices. However, Ed is rarely among the last people he knows to purchase a new technology. Ed is part of the laggard adopter group.

Answer: FALSE

Diff: 2 Page Ref: 155

Skill: Application

AACSB: Reflective Thinking

Objective: 5-3

97) Two characteristics that are especially important in influencing an innovation's rate of adoption are relative advantage and compatibility.

Answer: TRUE

Diff: 2 Page Ref: 156

Objective: 5-3

98) One set of business purchases is made for each set of consumer purchases.

Answer: FALSE

Diff: 2 Page Ref: 157

Skill: Concept

Objective: 5-4

99) A business marketer normally deals with far fewer buyers than the consumer marketer does.

Answer: TRUE

Diff: 1 Page Ref: 157

Skill: Concept

Objective: 5-4

100) Buyer and seller are less dependent upon each other in the business buying process than in the consumer buying process.

Answer: FALSE

Diff: 2 Page Ref: 160

Skill: Concept

Objective: 5-4

101) Of the different types of buying situations, the modified rebuy presents the fewest decisions for a business buyer to make.

Answer: FALSE

Diff: 2 Page Ref: 161

Skill: Application

AACSB: Analytic Skills

Objective: 5-4

102) The buying center is not a fixed or formally identified unit within an organization.

Answer: TRUE

Diff: 2 Page Ref: 162

Skill: Concept

Objective: 5-4

103) Environmental, organizational, interpersonal, and individual factors all influence business buyer behavior.

Answer: TRUE

Diff: 1 Page Ref: 163-164

Skill: Concept

AACSB: Communication

Objective: 5-5

104) In the supplier search stage of the business buying process, the buyer ranks the importance of reliability, price, and other desired characteristics in the product.

Answer: FALSE

Diff: 2 Page Ref: 164

Skill: Concept

Objective: 5-5

105) The benefits of e-procurement include access to new suppliers, lower purchasing costs, and more time-efficient order processing and delivery.

Answer: TRUE

Diff: 2 Page Ref: 166-167

Skill: Concept

AACSB: Use of IT

Objective: 5-5

106) Cultural factors exert a broad and deep influence on consumer behavior. The marketer needs to understand the role played by the buyer's culture, subculture, and social class. Compare the roles of culture, subculture, and social class.

Answer: Culture is the most basic cause of a person's wants and behavior. Each culture contains smaller subcultures, or groups of people with shared value systems based on common life experiences and situations. Subcultures include nationalities, religions, racial groups, and geographic regions. Many subcultures make up important markets. Social classes are society's relatively permanent and ordered divisions whose members share similar values, interests, and behaviors. Unlike nationality or ethnic subculture, social class is determined by a combination of many variables, such as occupation, income, education, and wealth. Social scientists have identified seven social classes within the American culture, ranging from upper class to lower class.

Diff: 3 Page Ref: 138-141

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

107) Many subcultures make up important market segments. Examples of four such important subculture groups include Hispanics, African Americans, Asian Americans, and mature consumers. Describe several characteristics that would interest marketers about each of these groups.

Answer: Hispanic consumers tend to buy more branded, higher-quality products—generics do not sell well to Hispanics. Perhaps more important, Hispanics are very brand loyal, and they favor companies who show special interest in them. African American consumers are more price-conscious than other segments; they are also strongly motivated by quality and selection. African Americans seem to enjoy shopping more than other ethnic groups and are also more fashion conscious. Asian American consumers are the most affluent U.S. demographic segment and are the second-fastest-growing population subculture, after Hispanics. Asian American consumers are very tech-savvy and are the most brand conscious of all the ethnic groups. Mature consumers are better off financially than are younger consumer groups. They are a strong market for travel, restaurants, entertainment, leisure goods and services, financial services, and healthcare services.

Diff: 3 Page Ref: 138-140

Skill: Application

AACSB: Multicultural and Diversity

Objective: 5-1

108) A consumer's behavior is influenced by social factors, such as the consumer's small groups, family, and social roles and status. Explain the differences among these social factors.

Answer: Small groups to which a person belongs have a direct influence on what a person buys. Reference groups serve as direct or indirect points of comparison or reference in forming a person's attitudes or behaviors. An aspirational group is one to which the individual wishes to belong. Reference groups expose a person to new behaviors and lifestyles, influence a person's attitudes and self-concept, and create pressures to conform that may affect the person's product and brand choices. Opinion leaders are also included in reference groups. The group closest to consumers is the family, the most important consumer buying organization in society. Marketers are interested in the changing roles and influence of each family member, particularly as male and female purchasing roles evolve and children wield more purchasing influence. Within groups, including families, the position of an individual is defined by role and status. A role consists of the activities people are expected to perform according to the persons around them, while status is the general esteem given to that role. People tend to choose products that fit with their roles and status.

Diff: 3 Page Ref: 141-146

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

109) Each person's distinct personality influences his or her buying behavior. Personality is usually described in terms of traits. What are these traits, and how do they affect the way people purchase items? Give at least one example.

Answer: Personality is described in terms of traits such as self-confidence, dominance, sociability, autonomy, defensiveness, adaptability, and aggressiveness. Personality can be useful in analyzing behavior for certain products. Consumers are likely to choose brands with personalities that match their own. For example, someone with a sophisticated personality might be attracted to a more sophisticated product, such as a BMW, while someone with a more rugged personality might be attracted to a more rugged product, such as a Jeep.

Diff: 1 Page Ref: 148

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

110) Explain Maslow's needs hierarchy.

Answer: Maslow suggested that our unfulfilled needs motivate us and that our needs are arranged in a hierarchy. That hierarchy includes these needs: physiological, safety, social, self-esteem, and self-actualization. Maslow suggested that we fill the bottom-level, basic needs first before moving up the hierarchy. Until more important, basic needs such as safety are fulfilled, an individual has little interest in higher-level needs such as esteem and self-actualization.

Diff: 2 Page Ref: 149

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

111) Identify and describe the stages in the adoption process.

Answer: In the awareness stage, consumers become aware of the new product but lack information about it. Then, consumers seek information about the new product in the interest stage. In the evaluation stage, consumers consider whether trying the new product makes sense. Consumers try the product on a limited basis in the trial stage. Finally, consumers decide to make full use of the product in the adoption stage.

Diff: 2 Page Ref: 154-155

Skill: Application

AACSB: Analytic Skills

Objective: 5-3

112) Identify the product characteristics that influence the rate of adoption. Explain how each characteristic affects the rate of adoption.

Answer: The five most important product characteristics that influence the rate of a product's adoption are relative advantage, compatibility, complexity, divisibility, and communicability. Relative advantage is the degree to which an innovation appears superior to existing products; the greater the perceived relative advantage, the sooner the product will be adopted. Compatibility is the degree to which the innovation fits the values and experiences of potential consumers; high compatibility leads to quick adoption. Complexity is the degree to which the innovation is difficult to understand or use; the greater the complexity, the slower the adoption rate. Divisibility is the degree to which the innovation may be tried on a limited basis; the higher the divisibility, the slower the rate of adoption. Finally, communicability is the degree to which the results of using the innovation can be observed or described to others; high communicability lends itself to a higher rate of adoption.

Diff: 3 Page Ref: 156

Skill: Application

AACSB: Analytic Skills

Objective: 5-3

113) Explain how business demand is derived demand.

Answer: The demand for business purchases is determined by the demand for consumer goods. If consumer demand for an end product drops, business demand for all of the components used in that product will also drop. Similarly, when consumer demand for a product increases, business demand for all of the components of that product also increases.

Diff: 2 Page Ref: 157

Skill: Application

AACSB: Analytic Skills

Objective: 5-4

114) Explain how the decision process in the business market and consumer market differ.

Answer: Business buyers usually face more complex buying decisions than do consumer buyers, as business purchases more often involve large sums of money, complex technical and economic considerations, and interactions among many people at many levels of the buyer's organization. Because the purchases are more complex, business buyers may take longer to make their decisions and are likely to use a more formalized buying process. In the business buying process, the buyer and seller are often much more dependent on each other.

Diff: 2 Page Ref: 160

Skill: Application

AACSB: Analytic Skills

Objective: 5-4

115) What is the buying center concept? Explain why this concept presents a major marketing challenge.

Answer: The buying center is the decision-making unit of a buying organization. The buying center is composed of all the individuals and units that play a role in the business purchase decision-making process, including the actual users of the product or service, those who make the buying decision, those who influence the buying decision, those who do the actual buying, and those who control buying information. The buying center is not a fixed and formally identified unit within the buying organization. Instead, it is a set of buying roles assumed by different people for different purchases. Within the organization, the size and makeup of the buying center varies for different products and buying situations. The variable nature of the buying center makes it a major marketing challenge. The business marketer must learn who participates in each decision, each participant's relative influence, and what evaluation criteria each decision participant uses. Sometimes identifying the decision maker is difficult or even impossible, as no one single person may make the purchasing decision.

Diff: 3 Page Ref: 162

AACSB: Analytic Skills

Objective: 5-4

116) Generation Xers, who were born between 1965 and 1976, share the childhood experiences of higher parental divorce rates, recession, and corporate downsizing. They tend to care about the environment and value experience over acquisition. Generation Xers make up a _____.

- A) subculture
- B) social class
- C) social network
- D) life-cycle stage
- E) lifestyle

Answer: A

Diff: 1 Page Ref: 138

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

117) Rashmi Singh always knows about the trendiest fashions. She actively shares her knowledge with a wide group of friends and colleagues about where to shop for cutting-edge fashion at great deals, and her advice is often followed. Rashmi is an example of a(n) _____.

- A) membership group
- B) innovator
- C) opinion leader
- D) buzz marketer
- E) experiential source

Answer: C

Diff: 2 Page Ref: 142

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

118) A shoe company uses ads featuring the members of a country music band with the hope that the band's fans will see them wearing the company's shoes and want to wear the same shoes. The shoe company is hoping that fans of the band view the band as a _____.

- A) membership group
- B) reference group
- C) brand personality
- D) subculture
- E) lifestyle

Answer: B

Diff: 3 Page Ref: 141-142

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

119) There is a trend in the United States toward rediscovering the flavor of regional cooking and the use of locally grown ingredients. People are choosing to spend hours in the kitchen using only the freshest ingredients to recreate local culinary traditions. This change in _____ is one of the reasons the number of farmers markets in the United States has increased by 70 percent in the last eight years.

- A) life-cycle stage
- B) subculture
- C) lifestyle
- D) personality
- E) life cycle

Answer: C

Diff: 2 Page Ref: 147

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

120) A marketing research company asked members of a focus group to describe several motorcycle brands as animals. This is an example of _____.

- A) hierarchical need analysis
- B) interpretive consumer research
- C) status influence
- D) buzz marketing
- E) information search

Answer: B

Diff: 2 Page Ref: 149

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

121) Bob's job description had been changed. The rationale for the changes made no sense to Bob when they were explained. Bob continued to perform most of his job duties as usual. He has engaged in _____.

- A) selective distortion
- B) selective attitude
- C) selective interpretation
- D) selective attention
- E) perceptual defense

Answer: D

Diff: 2 Page Ref: 150

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

122) Stephanie and Jamal attended a sales seminar. Both left the seminar with differing opinions about what was important to implement in their jobs. Both used the information in different ways, according to what each already believed was important. They have engaged in _____.

- A) selective distortion
- B) selective attitude
- C) selective retention
- D) selective attention
- E) perceptual defense

Answer: A

Diff: 2 Page Ref: 150

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

123) Juana looked at her September issue of *O* magazine and did not see anything of interest. After her mother was diagnosed with bipolar disorder, she found the issue extremely interesting because it offered advice on how to help people who are suffering from this problem. The September issue of the magazine became quite interesting to Juana due to _____.

- A) subliminal messaging
- B) social factors
- C) selective attention
- D) the hierarchy of needs
- E) unconscious motivations

Answer: C

Diff: 2 Page Ref: 150

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

124) Donna wants to buy a new coat. During the _____ stage of her purchase process she asked her friends to recommend a store and/or a style of coat. She searched the newspaper for coat sales, and she visited nearby stores to see what is available in her price range.

- A) product evaluation
- B) alternative evaluation
- C) need recognition
- D) information search
- E) purchase decision

Answer: D

Diff: 2 Page Ref: 152

Skill: Application

AACSB: Reflective Thinking

Objective: 5-2

125) Blake is in the process of buying a new car. He is highly involved in the purchase and perceives significant differences among his three favorite models. Blake's next step is most likely to be _____.

- A) postpurchase behavior
- B) evaluation of alternatives
- C) opinion leadership
- D) cognitive dissonance
- E) purchase decision

Answer: B

Diff: 2 Page Ref: 153

Skill: Application

AACSB: Reflective Thinking

Objective: 5-2

126) Leona purchased two bottles of wine from vineyards in Australia. When asked her opinion of the wine, she said the burgundy wine tasted like alcoholic grape juice, but the Chablis had a crisp taste that she really enjoyed. These statements were made during the _____ stage of the purchase decision.

- A) information search
- B) situational analysis
- C) alternative evaluation
- D) purchase decision
- E) postpurchase behavior

Answer: E

Diff: 1 Page Ref: 153

Skill: Application

AACSB: Reflective Thinking

Objective: 5-2

127) Bill thought he had received the best deal on his new car. Shortly after the purchase, Bill started to notice certain disadvantages of his new car as he learned more about other cars available. Bill is experiencing _____.

- A) postpurchase culture
- B) selective perception
- C) cognitive dissonance
- D) purchase decision
- E) information evaluation

Answer: C

Diff: 2 Page Ref: 154

Skill: Application

AACSB: Reflective Thinking

Objective: 5-2

128) Cameron loves to know about and purchase the most up-to-date technological gadgets. Among his friends, he is almost always the first to own the newest electronic product. Often the products that Cameron buys become adopted by large groups of consumers, but occasionally Cameron will purchase a product that is adopted by only a small portion of the population. To which of the following adopter groups does Cameron belong?

- A) innovator
- B) early adopter
- C) early majority
- D) late majority
- E) laggards

Answer: A

Diff: 2 Page Ref: 155

Skill: Application

AACSB: Reflective Thinking

Objective: 5-3

129) Which of the following is NOT part of the business market?

- A) Scott Sign Systems sells interior signs to an Alabama resort.
- B) A municipal government buys chemicals for its city swimming pools.
- C) Sue buys a gift for her mother.
- D) A Canadian software company buys airplane tickets to send a group of salespeople to make a presentation to a heavy equipment manufacturer in Japan.
- E) Airmark sells a vinyl printing press to a manufacturer of plastic bags.

Answer: C

Diff: 1 Page Ref: 156-157

Skill: Application

AACSB: Reflective Thinking

Objective: 5-4

130) Kroger buys a lot of cranberry products at Christmas due to high consumer demand. This is an example of _____ demand.

- A) joint
- B) derived
- C) elastic
- D) fluctuating
- E) inelastic

Answer: B

Diff: 2 Page Ref: 157

Skill: Application

AACSB: Reflective Thinking

Objective: 5-4

131) You regularly purchase cleaning supplies for your custodial staff, using the same vendor and ordering relatively consistent amounts of the same products with each purchase. This is an example of a _____ situation.

- A) modified rebuy
- B) new task
- C) straight rebuy
- D) solution selling
- E) value analysis

Answer: C

Diff: 1 Page Ref: 161

Skill: Application

AACSB: Reflective Thinking

Objective: 5-4

132) You call in a department manager to assist in a purchase of industrial equipment. You are considering a change in product specifications, terms, and possibly suppliers. This is most likely a _____ situation.

- A) modified rebuy
- B) new task
- C) straight rebuy
- D) solution selling
- E) value analysis

Answer: A

Diff: 2 Page Ref: 161

Skill: Application

AACSB: Reflective Thinking

Objective: 5-4

133) Worthington Farm raises chickens. For years, it has used wooden coops for hauling its poultry to market. When Bob Worthington went to reuse some of his coops, he noticed many of them could not be sufficiently cleaned for reuse and needed to be replaced. Worthington was at which stage of the business buying process when he decided to replace his old coops?

- A) problem recognition
- B) general need description
- C) product specification
- D) product value analysis
- E) performance review

Answer: A

Diff: 1 Page Ref: 164

Skill: Application

AACSB: Reflective Thinking

Objective: 5-5

134) John Herr's company has standardized the size of its paper bags so that each bag can be used in five to seven different store departments. This approach to cost reduction likely took place in the _____ stage of the business buying process.

- A) problem recognition
- B) general need description
- C) product specification
- D) supplier search
- E) proposal solicitation

Answer: C

Diff: 3 Page Ref: 164

Skill: Application

AACSB: Analytic Skills

Objective: 5-5

135) Pace Hardware uses Learningnow.com to improve sales force effectiveness and facilitate sharing of expertise. It allows Pace retailers to link with other Pace retailers to ask for managerial and marketing advice. It also allows Pace retailers to ask their suppliers about product usage, deliveries, and warranties, and it allows suppliers to send new-product information directly to Pace retailers. In this scenario, Pace Hardware is using a(n) _____.

- A) extranet
- B) intranet
- C) search engine
- D) trading exchange
- E) reverse auction

Answer: A

Diff: 2 Page Ref: 166

Skill: Application

AACSB: Use of IT

Objective: 5-5

136) What role do the four Ps play in consumer behavior?

Answer: The four Ps are the marketing stimuli that affect buyer behavior: marketers use product, price, place, and promotion to attract the targeted consumers.

Diff: 1 Page Ref: 137

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

137) Give an example of a cultural shift that may impact the marketing of products or services.

Answer: Answers will vary. Currently, the shift toward greater concern about health and fitness has generated increased marketing of exercise equipment and gear.

Diff: 1 Page Ref: 138

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

138) Why might the Hispanic market be a viable targeted group for a new marketer of products?

Answer: Hispanics are the fastest growing U.S. subculture and they tend to favor companies who show special interest in them, attributes upon which a new marketer of a product could capitalize.

Diff: 3 Page Ref: 138

Skill: Application

AACSB: Multicultural and Diversity

Objective: 5-1

139) Identify two factors that could allow an individual to move to a higher social class in the United States.

Answer: Such factors may include a change in income or source of income and increased education.

Diff: 1 Page Ref: 140-141

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

140) In what way might a marketer rely on opinion leaders?

Answer: Opinion leaders can influence other larger groups of consumers to be attracted to a marketer's products.

Diff: 2 Page Ref: 142

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

141) How does marketing through online social networks differ from more traditional marketing?

Answer: Marketers hope to use social networks to interact with consumers and become a part of their everyday lives instead of relying on the one-way commercial messages of more traditional media.

Diff: 2 Page Ref: 142

Skill: Application

AACSB: Use of IT

Objective: 5-1

142) Explain why typical husband-dominant or wife-dominant products of the 1970s may no longer be regarded as typical.

Answer: Changes in traditional family roles, such as more women holding jobs outside the home and more men taking on household duties, have changed the traditional buying roles over time.

Diff: 2 Page Ref: 145

Skill: Application

AACSB: Analytic Skills

Objective: 5-2

143) Explain the concept of brand personality.

Answer: A brand personality is the specific mix of human traits that may be attributed to a particular brand.

Diff: 1 Page Ref: 148

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

144) Explain why selective attention is not controllable by a marketer.

Answer: A marketer cannot guarantee that a consumer will pay attention to or remember a specific ad; people use selective attention because it is impossible for them to pay attention to the thousands of marketing stimuli they experience each day.

Diff: 2 Page Ref: 150

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

145) Explain why selective distortion is somewhat controllable by a marketer.

Answer: Marketers can attempt to understand consumers' mindsets and how their mindsets will affect perceptions of advertisements.

Diff: 2 Page Ref: 150

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

146) Knowing that selective retention prevents consumers from remembering everything about an ad, what might a marketer do to enhance retention?

Answer: Use of drama, fear, or extreme humor in an ad can often promote retention among consumers; ad repetition may also work.

Diff: 2 Page Ref: 150

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

147) Explain how marketers may be able to reduce postpurchase cognitive dissonance.

Answer: Marketers should make every effort to enhance after-sale communications, providing evidence and support to help consumers feel good about their purchases.

Diff: 2 Page Ref: 154

Skill: Application

AACSB: Analytic Skills

Objective: 5-2

148) Why should marketers set up systems that encourage customers to complain about a company's products?

Answer: Most customers never share their complaints with marketers; without this information, it is difficult for a company to identify how it can improve.

Diff: 2 Page Ref: 154

Skill: Application

AACSB: Analytic Skills

Objective: 5-2

149) What are the differences between innovators and early adopters?

Answer: Innovators are more willing to take on risk; early adopters try new ideas early on but are much more deliberate.

Diff: 2 Page Ref: 155

Skill: Application

AACSB: Analytic Skills

Objective: 5-3

150) How have relationships between customers and suppliers changed in recent years?

Answer: Customers and suppliers have had adversarial relationships in the past, but because they are dependent on each other, they have begun to act more as partners; many customer companies now practice supplier development, systematically developing networks of supplier-partners to ensure an appropriate and dependable supply of products and materials.

Diff: 2 Page Ref: 160

Skill: Application

AACSB: Analytic Skills

Objective: 5-4

151) Why is the new-task buying situation both a great opportunity and challenge for a marketer?

Answer: In the new-task buying situation, decision participants put forth substantial effort to collect information and so are positioned to be influenced by a marketer's message; these situations are likely to be competitive, as other marketers also want to establish a relationship with the buyer.

Diff: 2 Page Ref: 161

Skill: Application

AACSB: Analytic Skills

Objective: 5-4

152) When are business buyers most likely to make decisions heavily influenced by personal factors?

Answer: If suppliers' offers are very similar, there is little basis for a rational, objective choice; in these situations, buyers are more likely to allow emotions and other personal factors to influence their decision.

Diff: 2 Page Ref: 163

Skill: Application

AACSB: Analytic Skills

Objective: 5-4

153) Why is it difficult to assess interpersonal factors that influence the business buying process?

Answer: Interpersonal factors—such as who is liked, who controls rewards and punishments, and who has special relationships with other important participants—are subtle and not obvious to the external observer.

Diff: 2 Page Ref: 164

Skill: Application

AACSB: Analytic Skills

Objective: 5-4

154) How can marketers influence business buyers who are in the problem recognition stage?
Answer: Through advertising, business marketers can make buyers aware of and concerned about potential problems and then offer their products as solutions to the newly recognized problem.

Diff: 2 Page Ref: 164

Skill: Application

AACSB: Analytic Skills

Objective: 5-5

Scenario

The Attic Trunk began in 1979 as an upscale dress shop in Forest Ridge's fashionable shopping district, catering to a wealthy, mature clientele. Many other specialty shops lined the main avenue over the next few years. But as Forest Ridge began to attract an affluent, younger, and more demographically diverse population, the once-popular shopping district was increasingly perceived as stodgy and snobby. By the late 1980s, many of these specialty shops suffered financially. Most shops attracted only tourists who enjoyed browsing through the displays of alligator belts and shoes, piles of scented soaps, and useless flowered parasols, often laughing at the ridiculously high prices. Owners of The Attic Trunk had noticed the shifts in population and buying behavior of the typical shopper by the late 1980s. In fact, the owners had observed that the once-fashionable shopping district in Forest Ridge no longer attracted a "typical shopper." The wealthy, mature clientele had been replaced with affluent families with children, a mix of Asian and African Americans as well as Caucasians. Specialty items at The Attic Trunk gradually disappeared, replaced by brand-name apparel, colognes, and jewelry. Other owners followed suit in the early 1990s, bringing restaurants, an outdoor cafe, and a day spa to the main avenue in Forest Ridge.

155) Explain the cultural shift evidenced in this scenario.

Answer: An affluent, diverse population replaced the wealthy, mature population; shops along Forest Ridge's fashionable shopping district changed their marketing strategies in order to appeal to the new population.

Diff: 1 Page Ref: 138

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

156) What characteristics of the typical African American consumer might the owners of The Attic Trunk be able to observe?

Answer: African American consumers generally are price-conscious and motivated by quality and selection; they are also fashion-conscious and enjoy shopping more than other groups.

Diff: 2 Page Ref: 139

Skill: Application

AACSB: Multicultural and Diversity

Objective: 5-1

157) What characteristics of the typical Asian American consumer might the owners of The Attic Trunk be able to observe?

Answer: Asian Americans are the most affluent of U.S. segments; they are the most brand-conscious of all segments.

Diff: 2 Page Ref: 139-140

Skill: Application

AACSB: Multicultural and Diversity

Objective: 5-1

158) Why might The Attic Trunk NOT want to completely discount the mature consumers as a still-viable target market?

Answer: Seniors are expected to double in number in the next two decades; they are better off financially than younger segments. Seniors are a strong market for designer items, leisure items, and fitness. Many of the revamped shops in Forest Ridge now provide the types of products and services attractive to seniors.

Diff: 3 Page Ref: 140

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

159) Many families with children are now attracted to the shopping district in Forest Ridge. What characteristics about families as consumer groups might the owners of The Attic Trunk want to keep in mind?

Answer: Family members strongly influence the buying behavior of other family members. Husband-wife involvement varies widely by product category; therefore, the owners should not take specific behaviors or characteristics for granted. Further, children are a strong influence on family buying behavior.

Diff: 3 Page Ref: 145

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

160) Might the owners of The Attic Trunk believe that people change what they buy over their lifetimes? Explain.

Answer: Yes. Over time, the affluent, mature consumers fizzled out as a primary target market. However, the new wave of mature consumers in Forest Ridge, compared to the mature consumers of the 1980s, may continue to be attracted to the revamped shops along the main avenue.

Diff: 3 Page Ref: 146

Skill: Application

AACSB: Analytic Skills

Objective: 5-1

161) When comparing the lifestyles of all the consumer segments attracted to The Attic Trunk, what might each segment have in common with the other segments?

Answer: Each segment may share similar psychographics: activities, interests, and opinions (AIOs).

Diff: 2 Page Ref: 147

Skill: Application

AACSB: Reflective Thinking

Objective: 5-1

162) In what way did the owners of The Attic Trunk have to change shoppers' perceptions from the 1980s to the 1990s?

Answer: Shoppers had to be convinced that The Attic Trunk had permanently shifted from offering overpriced specialty items, which were of little use to the consumer, to offering chic, upscale apparel and accessories.

Diff: 2 Page Ref: 149-150

Skill: Application

AACSB: Reflective Thinking

Objective: 5-2

163) Why might The Attic Trunk's current shoppers experience less postpurchase cognitive dissonance than the shoppers of the early 1980s?

Answer: The Attic Trunk now offers what the typical customer wants. Because most of the product offerings are name brands, consumers likely know more about what they are getting before they purchase it. Consumers in the 1980s purchased products based on uniqueness; there were fewer, if any, branded items in the offering with which consumers could have built a relationship prior to the purchase.

Diff: 3 Page Ref: 154

Skill: Application

AACSB: Analytic Skills

Objective: 5-2

164) What are some assumptions that can be made about any dissatisfied customers at The Attic Trunk?

Answer: Bad word of mouth travels faster than positive comments. Dissatisfied customers do not often volunteer their complaints; therefore, the owners of this shop should set up a system to encourage customer comments.

Diff: 2 Page Ref: 154

Skill: Application

AACSB: Reflective Thinking

Objective: 5-2

165) How might the owners of The Attic Trunk use e-procurement to their advantage?

Answer: The Attic Trunk now specializes in brand-name items, which are likely available through suppliers' Web sites; using e-procurement would lower The Attic Trunk's purchase costs and speed order processing and delivery.

Diff: 2 Page Ref: 166

Skill: Application

AACSB: Use of IT

Objective: 5-5

L.S.F.