# ch13

*Student:* _____

1. Promotion is communicating information between the seller and the potential buyer or others in the channel to influence attitudes and behavior.

   True False

2. The promotion part of the marketing mix involves telling target customers that the right product is available at the right place at the right price.

   True False

3. The marketing manager's promotion job is to tell target customers that the right Product is available at the right Place at the right Price.

   True False

4. A marketing manager can choose from only two promotion methods--personal selling and mass selling.

   True False

5. Direct spoken communication between sellers and potential customers is personal selling.

   True False

6. Personal selling involves direct spoken communication between sellers and potential customers.

   True False

7. With personal selling, the company's marketing mix can be adapted to the needs of each target market, but personal selling is usually quite expensive.

   True False

8. Face-to-face communication with large numbers of customers at the same time is mass selling.

   True False

9. Spoken communication with large numbers of customers at the same time is mass selling.

   True False

10. When the target market is large and spread out, mass selling may be less expensive than personal selling.

    True False

11. A major advantage of mass selling is that the source can receive immediate feedback from the receiver.

    True False

12. Mass selling includes both advertising and publicity.

True False

13. Advertising is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.

True False

14. Publicity is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.

True False

15. Publicity is the nonpersonal presentation of ideas, goods, or services which is paid for by an identified sponsor.

True False

16. Because publicity is "free," it is usually far less effective than advertising if the firm has a new message.

True False

17. More money is spent on media costs for publicity each year than is spent on media costs for advertising.

True False

18. Publicity allows a firm to avoid media costs.

True False

19. Sales promotion can be aimed at intermediaries, at final consumers, or even at a firm's own employees.

True False

20. Sales promotion may be aimed at final consumers, retailers, wholesalers, or a company's own employees.

True False

21. Sales promotion is special advertising or personal selling that is aimed at intermediaries in the channel.

True False

22. In comparison with other promotion methods, sales promotion can neither be implemented quickly, nor get results quickly.

True False

23. A point-of-purchase sample given to consumers is a good example of sales promotion.

True False

24. In total, firms spend less money on advertising than on personal selling or sales promotion.

True False

25. A sales promotion manager's job is choosing the right media and developing the advertisements.

True False

26. It is the job of a sales promotion specialist to come up with an effective promotion blend.

True False

27. Deciding on the right promotion blend should be the job of the advertising manager.

True False

28. It is the job of the marketing manager to come up with an effective promotion blend.

True False

29. Because the advertising, sales, and sales promotion managers all have similar outlooks and experiences, they usually work together very well to develop the right promotion blend.

True False

30. Integrated marketing communications means the intentional coordination of every communication from a firm to a target customer to convey a consistent and complete message.

True False

31. A firm that adopts the integrated marketing communications concept tries to coordinate all of its promotion communications to a target customer to convey a consistent and complete message.

True False

32. The basic idea behind integrated marketing communications is that it is critical for all of the different firms in a channel of distribution for a product to have an input in developing the advertising campaign for the product.

True False

33. Developing integrated marketing communications is more difficult when different firms in the channel handle different aspects of the promotion effort.

True False

34. The general objective of promotion is to affect buyer behavior.

True False

35. The right promotion blend depends on what the firm want to accomplish--so the objective must be clearly defined.

True False

36. The three general promotion objectives of informing, persuading, and reminding are all concerned with providing more information.

True False

37. The informing objective in Promotion is simply a matter of educating the consumer about the firm's product.

True False

38. The four promotion jobs of the AIDA model are to get Attention, to hold Interest, to arouse Desire, and to obtain Action.

True False

39. The four promotion jobs of the AIDA model are to get Attention, to Inform, to eliminate Doubt, and to change Attitudes.

True False

40. According to the AIDA model, promotion should try to change Attitudes, shape Intentions, arouse Desire, and cause Activity.

True False

41. In the traditional communication process, a receiver tries to deliver a message to a source through a message channel.

True False

42. A major advantage of mass selling is that the source—the seller—can get immediate feedback from the receiver.

True False

43. "Noise" in the traditional communication process is any distraction that reduces the effectiveness of the communication process.

True False

44. During the traditional communication process, a source does decoding and a receiver does encoding.

True False

45. Communication often breaks down because the receiver's decoded message is different than the message the source encoded.

True False

46. For communication to be effective, there must be a common frame of reference between the source and the receiver.

True False

47. The message channel may be as important as the message itself in influencing the receiver.

True False

48. Customers evaluate both the message and the source of the message only in terms of credibility.

True False

49. Most direct marketing communications are designed to prompt immediate feedback.

True False

50. Achieving a measurable, direct response from specific target customers is the heart of direct marketing.

True False

51. The main problem with integrated direct-response promotion is that it's nearly impossible to determine if it's effective.

True False

52. Integrated direct-response promotion has expanded beyond direct-mail advertising to include other media.

True False

53. In addition to mail, direct-response promotion may include telephone, print, e-mail, and the Internet.

True False

54. In addition to mail, direct-response promotion may include websites, broadcast, e-mail, and interactive media.

True False

55. Direct-response promotion targets specific individuals who respond directly.

True False

56. Direct-response promotion targets groups instead of individuals.

True False

57. Direct-response promotion usually relies on a CRM database.

True False

58. Direct-response promotion usually relies on a customer relationship management database to target specific prospects.

True False

59. In direct-response promotion, CRM databases have been successful in targeting final consumers but have been little help in targeting business customers.

True False

60. The traditional view of promotion has focused on communication initiated by the seller.

True False

61. The traditional view of promotion has focused on communication initiated by the buyer.

True False

62. With new types of interactive promotion, the communication process is often initiated by the buyer.

True False

63. In customer-initiated communication, it is common for the customer to initiate communication with a search keyword.

True False

64. Customer-initiated interactive communication makes it easy for a consumer to get as much information as desired.

True False

65. In customer-initiated communication, the customer decides how much information to get.

True False

66. In customer-initiated communication, the source decides how much information to send.

True False

67. In customer-initiated interactive communication, noise is no longer a factor.

True False

68. The traditional principles of communication are not important in customer-initiated interactive communication.

True False

69. Online interactive communication enables retailer websites to remember individual customers and automatically recall their past purchases.

True False

70. A complete promotion blend may need to consider channel members (along the channel) as well as customers (at the end of the channel).

True False

71. Pushing (a product through a channel) means using normal promotion effort to help sell the whole marketing mix to intermediaries.

True False

72. "Pushing" a product through a channel relies on very aggressive promotion to final consumers to try to get them to ask intermediaries for the product.

True False

73. The pushing approach recognizes the value of cooperation among firms in a distribution channel.

True False

74. A pushing effort might include sales promotion as well as personal selling.

True False

75. In the pushing effort, an intermediary is likely to pay more attention to the producer that offers it the best profit potential.

True False

76. The idea behind a pulling policy is that customer demand helps to pull the product through the channel.

True False

77. The pulling approach emphasizes the importance of securing the wholehearted cooperation of channel members to promote the product in the channel and to the final user.

True False

78. "Pulling" a product through a channel of distribution focuses promotion effort on wholesalers and retailers to get them interested in a producer's marketing mix.

True False

79. Producers with well-branded consumer products and well-established channels typically emphasize personal selling--rather than advertising--in their promotion blends.

True False

80. Promotion to business customers emphasizes personal selling.

True False

81. Personal selling dominates the promotion mix in business markets. This is practical since there are fewer of these customers and their purchases are typically larger.

True False

82. It is usually too expensive for personal selling to do the whole promotion job for business products, so mass selling is useful too.

True False

83. The AIDA model focuses on markets as a whole while the adoption curve model focuses on individuals.

True False

84. The adoption curve shows when different groups will accept new ideas, assuming that the promotion effort should stay the same for all groups.

True False

85. The adoption curve shows that it is important to keep the promotion effort the same as time passes--so consumers won't be confused.

True False

86. The adoption curve concept suggests that some groups within a market tend to be leaders in accepting new ideas.

True False

87. The adoption curve emphasizes the relations among groups and shows that individuals in some groups act as leaders in accepting a new idea.

True False

88. Consumers who are innovators tend to be young and well educated.

True False

89. An innovator is more likely to rely on information from an impersonal source (such as an article in a scientific magazine) than from a company's salesperson.

True False

90. Early adopters are respected by their peers--and often are opinion leaders--so what they think about a product is especially important for reaching later adopter groups.

True False

91. Personal selling is likely to be an effective method of promotion for reaching the opinion leaders in the early adopter group.

True False

92. Early adopters tend to rely on impersonal and scientific information sources, or other innovators, rather than salespeople.

True False

93. Blogs can enhance the relationship between a company and its customers, but the costs are high.

True False

94. The popularity of blogs, online reviews, and other Web media are giving "word of mouse" even more impact than "word of mouth."

True False

95. Favorable word-of-mouth information from opinion leaders can help a new product, but a negative reaction by opinion leaders tends to have no effect.

True False

96. The early majority avoid risk by waiting until many early adopters have tried a product--to see if they liked it.

True False

97. Average-sized business firms that are less specialized often fit in the category of laggards.

True False

98. The late majority are less likely to follow opinion leaders and may need some pressure from their own group before they try a new product.

True False

99. The adoption curve concept suggests that it is essential to stimulate early adoption by the laggards--or the product will never get beyond introduction.

True False

100. During the market introduction stage of the product life cycle, the basic promotion objective is informing.

True False

101. Primary demand is demand for a company's own brand.

True False

102. In the market growth stage, more competitors enter the market, and promotion emphasis shifts from selective demand to primary demand.

True False

103. In the market growth stage, sales promotion is targeted at salespeople or channel members to get them interested in selling the new product.

True False

104. Mass selling and sales promotion dominate the promotion blends of consumer products firms in the market maturity stage.

True False

105. During the market maturity stage of the product life cycle, the basic promotion objective is persuading.

True False

106. The total cost of mass media may force a small firm to use promotion alternatives that are more expensive on a per contact basis.

True False

107. Computing a percentage of either past sales or sales expected in the future is the most common method of budgeting for promotion expenditures.

True False

108. The task method of budgeting bases the budget on the job to be done now, not on what was spent in the past.

True False

109. The task method of budgeting focuses on the amount being spent by competitors.

True False

110. "Promotion" includes:

A. personal selling.
B. mass selling.
C. sales promotion.
D. All of the above.
E. only A and B above.

111. Which of the following is NOT a promotion method?

A. mass selling
B. personal selling
C. sales promotion
D. All of the above are promotion methods.
E. None of the above are promotion methods.

112. "Promotion" does NOT include:

A. personal selling.
B. sales promotion.
C. advertising.
D. introductory price dealing.
E. publicity.

113. Communicating with customers is known as the _____ portion of the marketing mix.

A. Placement
B. Positioning
C. Promotion
D. Pricing.
E. Production

114. "Promotion" is MAINLY concerned with:

A. obtaining a favorable corporate image.
B. telling the target market that the right Product is available in the right Place at the right Price.
C. obtaining maximum publicity--at the lowest cost.
D. informing the public about the firm's offerings to maximize sales.
E. getting people to buy a firm's product--even when it isn't needed.

115."Promotion" is concerned with:

A. how suitable messages are communicated to target customers.
B. communicating information between seller and buyer or others in the channel to influence attitudes and behavior.
C. informing customers that the right Product is available at the right Place at the right Price.
D. blending personal selling, mass selling, and sales promotion.
E. All of the above.

116._____ is communicating information between the seller and potential buyer or others in the channel to influence attitudes and behavior.

A. Price
B. Product
C. Promotion
D. Place
E. Process

117.Personal selling:

A. Is indirect written communication between buyers and sellers.
B. Is indirect spoken communication between buyers and sellers.
C. Is not usually combined with other aspects of promotion in the total marketing mix.
D. Gets immediate feedback from consumers.
E. Is one of the least expensive components of the communications program.

118.Regarding promotion methods, which of the following statements is TRUE?

A. Personal selling can provide immediate feedback.
B. Publicity is "free," but usually is ineffective for really new products.
C. Advertising is usually more tailored to the individual needs and attitudes of target customers than personal selling.
D. Sales promotion activities produce results very slowly compared to advertising.
E. All of the above are true.

119."Personal selling:"

A. involves direct spoken communication between sellers and potential customers.
B. costs less than advertising for reaching a large, widespread market.
C. tries to communicate with many customers at the same time.
D. refers to "promoting" at trade shows, demonstrations, and contests.
E. All of the above.

120.Personal selling

A. involves direct spoken communication between sellers and potential customers.
B. is communicating with large numbers of potential customers at the same time.
C. is less flexible than mass selling.
D. is included in most marketing mixes as it is inexpensive.
E. involves advertising and publicity.

121. Compared with other promotion methods, PERSONAL SELLING:

A. is less expensive when the target customers are numerous and widespread.
B. is less effective in overcoming sales resistance.
C. is less flexible in adapting to customers' needs and attitudes.
D. provides more immediate feedback.
E. All of the above.

122. Personal selling is more appropriate than mass selling when:

A. the target market is large and scattered.
B. there are many potential customers and a desire to keep promotion costs low.
C. flexibility is not important.
D. immediate feedback is desirable.
E. All of the above are true.

123. MASS SELLING, in contrast to personal selling:

A. is less expensive when the target customers are numerous and scattered.
B. doesn't provide immediate feedback.
C. is less flexible in adapting to customers' needs and attitudes.
D. All of the above.

124. Which of the following is the main type of "mass selling"?

A. Personal selling.
B. Publicity.
C. Sales promotion.
D. Advertising.
E. Both B and D.

125. "Advertising":

A. is the only form of mass selling.
B. is also called "sales promotion."
C. is concerned with "promotion" using samples, coupons, and contests.
D. involves direct spoken communication between sellers and potential customers.
E. is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.

126. "Advertising":

A. is less expensive than personal selling for reaching large and widespread target markets.
B. is any paid form of nonpersonal presentation of ideas, goods, or services by an identified seller.
C. is not the same as publicity.
D. is less flexible than personal selling.
E. All of the above are true.

127. Advertising

A. tries to attract attention to the firm and its offerings without having to pay media costs.
B. is any unpaid form of nonpersonal presentation of ideas, goods, or services.
C. must be paid for, while another form of mass selling—publicity—is "free."
D. is the main form of personal selling which includes the use of traditional media as well as new media.
E. involves direct spoken communication between sellers and potential customers.

128. Publicity efforts:

A. Attempt to attract attention to the firm without having to pay media costs.
B. Can be more effective than advertising if a firm has a really new message.
C. Can be risky because the media do not always say or show what the firm intends.
D. All of the above.
E. None of the above.

129. "Publicity":

A. is generally less effective than advertising for promoting a really new product.
B. is mass selling that avoids paying media costs.
C. is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.
D. is more expensive than all other promotion methods.
E. Both A and B are true.

130. Identify the true statement pertaining to publicity.

A. It is any paid form of nonpersonal presentation of ideas, goods, or services by a sponsor.
B. It is the main form of mass selling which includes only the use of traditional media.
C. If a firm has a really new message, publicity may be less effective than advertising.
D. A major disadvantage is that the media does not always say or show what the firm intends.
E. It tries to attract attention to the firm and its offerings by paying substantial media costs.

131. A car company sent three automobile magazines some technical information and explanations about the features of its innovative new model. One of the magazines later printed a story about the car. This is an example of:

A. personal selling.
B. advertising.
C. publicity.
D. sales promotion.
E. None of the above.

132. A computer software company sent three computer magazines some information about the latest release of its popular software program. One of the magazines printed a story about the new version. This is an example of:

A. personal selling.
B. advertising.
C. publicity.
D. sales promotion.
E. None of the above.

133. "Sales promotion":

A. can complement a firm's personal selling and mass selling efforts.
B. involves direct spoken communication between sellers and potential customers.
C. is any paid form of nonpersonal presentation of goods or services by an identified sponsor.
D. is "free" like publicity.
E. consists of personal selling and mass selling.

134."Sales promotion" can be aimed at:

A. intermediaries.
B. a company's own sales force.
C. final consumers or users.
D. Any or all of the above.

135.Sales promotion activities:

A. try to stimulate interest, trial, or purchase.
B. always involve direct face-to-face communication between sellers and potential customers.
C. usually take a long time to implement.
D. are usually a good substitute for personal selling and advertising.
E. All of the above.

136.Point-of-purchase materials, coupons, trade shows, calendars, merchandising aids, and sales training materials are all examples of:

A. publicity.
B. advertising.
C. mass selling.
D. sales promotion.
E. personal selling.

137.Relative to other promotion methods, _____ can usually be implemented quickly and get results sooner.

A. mass selling
B. advertising
C. publicity
D. personal selling
E. sales promotion

138._____ is a promotion activity that tries to spark immediate interest in the consumer.

A. Personal selling
B. Advertising
C. Publicity
D. Sales promotion
E. Press release

139.Which of the following would NOT be an example of sales promotion?

A. A flyer placed on a homeowner's door announcing a new lawn service.
B. A coupon offering a "buy one, get one free" deal at a pizza restaurant.
C. A free sample of a new breakfast cereal mailed to consumers.
D. A special display of snack chips placed in a grocery store's main aisle.
E. A contest in which a fast-food chain distributes "scratch-off" game pieces to promote a new movie.

140. Which of the following is NOT an example of sales promotion?

A. A "10 cents off" coupon promotion.
B. Point-of-purchase displays.
C. Trade show exhibits.
D. Free samples.
E. A wholly new kind of ad.

141. Which of the following is NOT an example of sales promotion?

A. a small toy in a "kid's pack" at a Wendy's fast-food restaurant.
B. a half-page ad in the telephone Yellow Pages for a security service.
C. an auto bumper sticker that says "Buy American."
D. samples of a new brand of cheese given away at a supermarket.
E. a display of fishing equipment by a sporting goods store in a shopping mall.

142. Which of the following is NOT an example of sales promotion?

A. a banner ad on AOL's stock page.
B. a bumper sticker that says, "Drink more milk."
C. samples of a new low-fat snack cracker given away at a supermarket.
D. a display of fishing equipment by a sporting goods store in a shopping mall.
E. a small toy in a kid's "happy meal" at McDonald's.

143. Which of the following is NOT an example of sales promotion?

A. A contest to motivate a company's own sales force.
B. Point-of-purchase displays at the checkout counters of a retail store.
C. Price-off coupons distributed to consumers' homes.
D. A trade show for wholesalers.
E. All of the above ARE examples.

144. Point-of-purchase materials is a sales promotion activity aimed at

A. distributors.
B. company's own sales force.
C. intermediaries.
D. retailers.
E. final consumers.

145. Merchandising aids and promotional allowances are sales promotion activities aimed at

A. final consumers.
B. company's own sales force.
C. intermediaries.
D. final users.
E. buyers.

146. Which of the following are sales promotion activities aimed at the company's own sales force?

A. Aisle displays
B. Bonuses
C. Point-of-purchase materials
D. Trade shows
E. Frequent buyer programs

147. Which of the following statements about promotional expenses is true?

A. People correctly think that promotion money gets spent primarily on advertising.
B. The many ads that people see on the Web, in magazines and newspapers, and on TV are impressive and inexpensive.
C. All the special sales promotions add up to less money than advertisements.
D. Firms spend more money on advertising than on sales promotion.
E. Firms spend less money on advertising than on personal selling.

148. Which of the following observations concerning promotional methods is false?

A. Each promotion method has its own strengths and weaknesses.
B. Promotion methods should complement each other when used in combination.
C. Each promotion method involves its own distinct activities.
D. All promotion methods require a similar type of expertise.
E. None of the above is false.

149. Typically the _____ is responsible for building good distribution channels and implementing "place" policies.

A. public relations manager
B. sales manager
C. advertising manager
D. human resources manager
E. recruitment manager

150. Communication with noncustomers, including labor, public interest groups, stockholders, and the government is generally referred to as

A. public relations.
B. sales promotion.
C. advertising.
D. branding.
E. publicity.

151. Developing and selecting the "best" PROMOTION BLEND should be done by a producer's:

A. sales manager.
B. advertising agency.
C. sales promotion manager.
D. marketing manager.
E. advertising manager.

152. Determining the blend of promotion methods is a strategy decision which is the responsibility of the

A. brand ambassador.
B. finance manager.
C. personnel manager.
D. marketing manager.
E. recruitment manager.

153. Deciding on the appropriate promotion blend is a job for the firm's:

A. advertising agency.
B. marketing manager.
C. advertising manager.
D. sales manager.
E. sales promotion manager.

154. Blending the firm's promotion efforts to convey a complete and consistent message is the goal of:

A. Sales management communications.
B. Sales promotion communications.
C. Integrated promotional marketing.
D. Integrated marketing communications.
E. Integrated sales promotion.

155. _____ is the intentional coordination of every communication from a firm to a target customer to convey a consistent and complete message.

A. Integrated marketing communications
B. Online marketing
C. Branding
D. Digital marketing
E. Product positioning

156. Which of the following is NOT one of the basic promotion objectives discussed in the text?

A. To inform
B. To remind
C. To manipulate
D. To persuade
E. All of the above are promotion objectives.

157. A retailer's promotion objective might be to _____ its target market about its marketing mix.

A. inform
B. persuade
C. remind
D. All of the above.
E. Only A and C above.

158. The various Promotion methods:

A. are all intended to lead to customer decisions favorable to the firm.
B. are all different forms of communication.
C. have a difficult task--since it is not easy to affect buying behavior.
D. All of the above are true.
E. None of the above is true.

159. What basic promotion objective should be emphasized by a producer introducing a really new product which satisfies customer needs better than any existing product?

A. Persuading
B. Reminding
C. Maximizing
D. Informing
E. Communicating

160. What basic promotion objective should be sought by a producer whose Product is very similar to its many competitors' Products?

A. Persuading
B. Promoting
C. Communicating
D. Informing
E. Reminding

161. Which basic promotion objective should be emphasized by a firm whose product is very similar to those offered by many competitors?

A. Communicating
B. Persuading
C. Reminding
D. Informing
E. Reinforcing

162. What basic promotion objective can be sought by a producer who has won brand insistence among its target customers?

A. Persuading
B. Reminding
C. Informing
D. Communicating
E. Promoting

163. If customers already have a positive attitude about a product, which promotional objective would you recommend?

A. Inform.
B. Remind.
C. Persuade.
D. Educate.
E. Change position.

164. Clearwater Office Supply sells frequently purchased office supplies to businesses in a metropolitan area. It is a well established company with a large share of the market. Its promotion should probably focus on

A. reminding.
B. stimulating primary demand.
C. informing.
D. innovators.
E. making the demand curve less elastic.

165. The basic promotion objectives and adoption process fit very neatly with an action-oriented model, which is called the

A. bricks and clicks model.
B. bait and hook model.
C. AIDA model.
D. DAGMAR model.
E. economic buyer model.

166. The AIDA model:

A. focuses on what happens after the adoption process is complete.
B. shows that the promotion effort is done once desire is aroused.
C. consists of four basic promotion jobs.
D. suggests that mass media can get consumers' attention only if that is what consumers desire.
E. All of the above are true.

167. The AIDA model includes all of the following promotion jobs EXCEPT:

A. increasing demand.
B. obtaining action.
C. arousing desire.
D. getting attention.
E. holding interest.

168. The AIDA model consists of

A. Awareness, Influence, Decoding, and Advertising.
B. Attention, Interest, Desire, and Action.
C. Appraisal, Insight, Discernment, and Action.
D. Advertise, Influence, Desire, and Attention.
E. Awareness, Information, Design, and Attention.

169. The AIDA model's four basic promotion jobs are concerned with:

A. attention, interest, desire, action.
B. action, interest, desire, acceptance.
C. awareness, interest, demand, action.
D. attention, internalization, decision, action.
E. awareness, interest, decision, acceptance.

170. The AIDA model consists of four promotion jobs:

A. getting Attention, building Intrigue, arousing Desire, and obtaining Action
B. becoming Aware, holding Interest, arousing Desire, and providing Assistance
C. getting Attention, holding Interest, creating Demand, and obtaining Action
D. getting Attention, holding Interest, arousing Desire, and obtaining Action
E. becoming Aware, holding Interest, arousing Desire, and obtaining Action

171. The basic promotion objective of informing consumers corresponds to which stage(s) of the AIDA model?

A. Getting attention.
B. Holding interest.
C. Arousing desire.
D. Obtaining action.
E. Both A and B.

172. The traditional communication process does NOT include:

A. response.
B. receiver.
C. encoding.
D. feedback.
E. source.

173. Any distraction that reduces the effectiveness of the communication process is called

A. resonance.
B. static.
C. clutter.
D. interference.
E. noise.

174. "Noise" (in the traditional communication process) refers to:

A. any distractions that reduce the effectiveness of the communication process.
B. radio advertising interference only.
C. messages which are too loud or bold.
D. efforts by a firm's competitors to block its message channel.
E. the encoded message before it is decoded.

175. Which of the following best illustrates communication "noise"?

A. A TV ad is recorded at a higher volume than is used for most TV shows.
B. A motorist doesn't hear a radio ad because she is being stopped by a police officer for speeding.
C. A political candidate rides through town in a car with a loud speaker--asking pedestrians to vote for her.
D. Magazine sales reps telephone consumers to offer low-price subscriptions.
E. A Pepsi ad that has rap music in the background.

176. Which of the following best illustrates communication "noise"?

A. Magazine sales reps telephone consumers to offer low-price subscriptions.
B. A TV ad is recorded at a higher volume than is used for most TV shows.
C. A political candidate rides through town in a car with a loud speaker--asking pedestrians to vote for her.
D. All of the above illustrate "noise."
E. None of the above clearly illustrates "noise."

177. While watching a television program, Liza gets a phone call just as a commercial is starting. She presses the "mute" button on the television's remote control and takes the call, so she pays no attention to the commercial. In terms of the communication process, the telephone call is an example of:

A. Encoding.
B. Noise.
C. Decoding.
D. Feedback.
E. The message channel.

178. The source deciding what it wants to say and translating it into words or symbols that will have the same meaning to the receiver is termed as

A. transmutation.
B. exposition.
C. decoding.
D. encoding.
E. haptics.

179. Decoding

A. is the process of the receiver translating the message.
B. is the process of the source deciding what it wants to say.
C. is the process of the source translating the message into words.
D. is any distraction that reduces the effectiveness of the communication process.
E. is the process of transferring information from the subordinate to the superior.

180. Identify the traditional communication process.

A. Source-Encoding-Message channel-Decoding-Receiver-Feedback.
B. Source-Encoding-Message channel-Receiver-Feedback.
C. Source-Encoding-Message channel-Noise-Receiver-Feedback.
D. Source-Message channel-Decoding-Receiver-Feedback.
E. Source-Noise-Message channel-Receiver-Feedback.

181. Which of the following statements about the communication process is True?

A. The source is the sender of the message.
B. The receiver is the potential customer.
C. Encoding is done by the source.
D. The receiver does decoding.
E. All of the above.

182. Poor communication is likely if:

A. there is no "noise" in the message channel.
B. the source and the receiver do not have a common frame of reference.
C. the encoder and the decoder are not the same person.
D. immediate feedback is not possible.
E. the source and the receiver don't have personal contact.

183. The "communication process" shows that:

A. sources and receivers should have a common frame of reference.
B. the receiver is usually not influenced by the nature of the message channel.
C. sources decode messages and receivers encode them.
D. all media appear to be equally effective as message channels.
E. None of the above is true.

184. Communication is most difficult to achieve when:

A. the source and the receiver are not in face-to-face contact with each other.
B. immediate feedback is not provided.
C. any trace of "noise" remains in the message channel.
D. the source and the receiver do not have a common frame of reference.
E. the encoder does not do the decoding.

185. Good marketing managers know that:

A. a major advantage of personal selling is that noise can be eliminated.
B. noise in the communication process improves promotion effectiveness.
C. the trustworthiness of the source does not affect how receivers evaluate a message.
D. different audiences may interpret a message differently.
E. All of the above are true.

186. Producers that advertise in GOOD HOUSEKEEPING magazine sometimes show that they have the Good Housekeeping "seal of approval." This illustrates their recognition of the importance of the _____ in the communication process?

A. feedback
B. noise
C. decoding
D. encoding
E. message channel

187. To communicate a very specific message to a very select, well-identified group of consumers, one probably should use:

A. magazines aimed at special-interest groups.
B. newspapers.
C. television.
D. integrated direct-response promotion.
E. radio.

188. Integrated direct-response promotion:

A. isn't necessary or useful when the channel of distribution involves intermediaries.
B. is usually part of a pushing effort rather than part of a pulling approach.
C. focuses on achieving a measurable, direct response from specific target customers.
D. All of the above are true.
E. None of the above is true.

189. Integrated direct-response promotion:

A. got its start in the area of direct-mail advertising.
B. is often part of an integrated marketing communications program.
C. focuses on achieving feedback from a target customer that is immediate and measurable.
D. All of the above are true.
E. None of the above is true.

190. Integrated direct-response promotion:

A. got its start when the introduction of TV made it possible for firms to use broadcast advertising to reach mass markets.
B. is an alternative to integrated marketing communications, which are used when direct-response is not required.
C. takes many forms, but it always involves the use of mail advertising.
D. all of the above are true.
E. none of the above is true.

191. Direct marketing communication designed to prompt immediate feedback by customers is also called

A. direct mail advertising.
B. direct-response promotion.
C. interactive communication.
D. online marketing.
E. downward communication.

192. Direct-response promotion may include:

A. interactive video
B. mail
C. website
D. broadcast
E. all of the above

193. What medium is appropriate for integrated direct-response promotion?

A. telephone
B. interactive video
C. print
D. e-mail
E. any of the above might be appropriate

194. In addition to snail mail, direct-response promotion may include:

A. broadcast
B. telephone
C. e-mail
D. the Internet
E. any of the above

195. A pharmaceutical company plans to introduce a new brand of pain reliever targeted at senior citizens. The company purchases a mailing list containing the names and addresses of elderly people who are known to take pain relievers on a regular basis to deal with chronic ailments such as arthritis. The company then sends informational brochures about the new product to the people on the list, along with a coupon they can return to get a free sample. The names of the people who respond are entered into a special database and are sent information about other products. This company is engaged in:

A. Publicity response.
B. Personal selling.
C. Direct-response promotion.
D. Decoding response.
E. Noise interference.

196. An integrated direct-response promotion is most likely to be effective if:

A. it is used by a nonprofit organization rather than a firm.
B. other elements of the promotion blend are not integrated.
C. it involves one-way communications between a firm and its target customer.
D. it relies on a CRM database to target specific individuals.
E. None of the above is a good answer.

197. Direct-response promotion usually relies on a _____ database to target specific prospects.

A. customer relationship management
B. sales force management
C. entity-attribute-value model
D. enterprise relationship management
E. multidimensional preference

198. Which of the following is not likely to be an ethical concern raised by direct-response methods?

A. Harvesting trees to make paper for direct-response junk mail.
B. Getting direct-promotion telephone solicitations at any time.
C. Using a direct-response database that includes personal information.
D. Sending out weekly specials via an e-mail newsletter on a request only basis.
E. Coping with the constant flow of spam in e-mail boxes.

199. Which of the following statements about communication processes is(are) true?

A. Targeting is important in traditional and customer-initiated interactive communication.
B. The seller starts the communication in the traditional communication process.
C. Noise can distract the process in traditional and customer-initiated interactive communication.
D. The buyer starts the communication in the customer-initiated interactive communication process.
E. All of the above are true.

200. In the customer-initiated interactive communication process:

A. the message channel is no longer a factor.
B. noise is no longer a factor.
C. messages typically must be very short and simple.
D. the buyer starts the process.
E. none of the above is true.

201. In customer-initiated interactive communication:

A. the message channel has no impact.
B. noise is no longer a factor.
C. the source initiates the communication.
D. interactive technology plays a big role.
E. action is less immediate.

202. In the customer-initiated communication process:

A. the marketer targets more of its promotion effort at specific individuals who respond directly.
B. a firm relies on a CRM database to target specific prospects.
C. a customer initiates the communication process with a decision to search for information in a particular message channel.
D. a seller initiates the communication process with a decision to search for information in a particular message channel.
E. there is a transfer of information from higher-level management to production workers.

203. Which of the following statements about the target of promotion and promotion blends is true?

A. Each unique market segment may need a different promotion blend.
B. Promotion to intermediaries emphasizes personal selling.
C. Promotion to employees involves pushing.
D. Promotion to final consumers is usually a combination of pushing and pulling.
E. All of the above are true.

204. When developing a good promotion blend, a marketing manager should:

A. be more concerned with persuading the target customers than informing or reminding.
B. determine who the firm is trying to influence.
C. realize that the right blend depends more on what customers expect than on what the firm wants to accomplish.
D. All of the above are true.
E. None of the above is true.

205. _____ means using normal promotion effort to help sell the whole marketing mix to possible channel members.

A. Pushing
B. Pulling
C. Encoding
D. Decoding
E. Controlling

206. This promotional approach emphasizes the importance of securing the wholehearted cooperation of channel members to promote the product in the channel and to the final user.

A. Pulling
B. Pushing
C. Encoding
D. Decoding
E. Franchising

207. A producer using normal promotion efforts--personal selling, sales promotion, and advertising--to help sell a whole marketing mix to possible channel members has:

A. a selective distribution policy.
B. a target marketing policy.
C. an intensive distribution policy.
D. a pushing policy.
E. a pulling policy.

208. Nantucket Hammocks, Inc. uses dealer incentives, discounts, and sales contests in order to encourage retailers to give special attention to selling its products. Nantucket Hammocks is using

A. exclusive distribution.
B. a corporate channel system.
C. dual distribution.
D. an administered channel system.
E. pushing.

209. American Tourister, Inc.--a producer of luggage--is planning to introduce a new product line. The marketing manager is having her sales force call on retailers to explain American Tourister's consumer advertising plans, the unique features of the new luggage, how the distributors can best promote it, and what sales volume and profit margins they can reasonably expect. This is an example of:

A. a "pulling" policy.
B. intensive distribution.
C. selective distribution.
D. a "pushing" policy.
E. exclusive distribution.

210. The Canyonlands Corporation is introducing a new product next month. To prepare for the introduction, the marketing manager is having his sales force call on distributors to explain the unique features of the new product, how the distributors can best promote it, and what sales volume and profit margins they can reasonably expect. In addition, Canyonlands is budgeting 2 percent of its estimated sales for magazine advertising. This is an example of:

A. selective distribution.
B. a "pulling" policy.
C. exclusive distribution.
D. a "pushing" policy.
E. intensive distribution.

211. ValCorp will soon introduce a new product, so the marketing manager is having the sales force call on distributors to explain its unique features and how the distributors can best promote it. This illustrates

A. integrated marketing communications.
B. a "pulling" policy.
C. direct response promotion.
D. a "pushing" policy.
E. noise in the communication process.

212. A producer of household batteries for flashlights, radios, and other small electronic devices wants to increase its sales relative to its competitors. The company enters into an arrangement with a supplier of bicycles to develop an incentive for retail buyers to order more batteries. Salespeople for the battery company tell each buyer that for every 20 cases of batteries ordered, the buyer will get a new bicycle. The buyer can keep the bicycle, or use it as part of an in-store contest promotion. The battery company's promotion effort aimed at retail buyers is:

A. Pushing in the channel.
B. Pulling by customers.
C. Integrated marketing communications.
D. Buyer-initiated communication.
E. None of the above.

213. Identify the false statement regarding promotion to intermediaries.

A. When suppliers offer similar products and compete for attention and shelf space, intermediaries usually pay attention to the one with the best profit potential.
B. Sales managers handle most of the important communication with intermediaries who do not want empty promises.
C. Sales promotions targeted at intermediaries usually focus on short-term arrangements that will improve the intermediary's profits.
D. Trade ads usually encourage intermediaries to contact the supplier for more information, and then a salesperson takes over.
E. During sales promotion, intermediaries want to know what they can expect in return for their cooperation.

214. Which of the following is NOT true about the relation between promotion blends and the promotion target?

A. Pushing in the channel means using normal promotion to intermediaries.
B. Service-oriented companies often try to design ads targeted at customers that also communicate to their own employees.
C. Promotion to intermediaries emphasizes personal selling.
D. Pushing within the firm involves promotion to employees, especially salespeople.
E. All of the above are true.

215. When firms promote products to their own employees as part of an internal marketing effort, they are using a

A. digital marketing approach.
B. pulling approach.
C. personal selling approach.
D. telemarketing approach.
E. pushing approach.

216. A firm's annual sales meeting

A. is a type of external marketing effort.
B. is basically a variation on the pulling approach.
C. is a type of internal marketing effort which is a variation on the pushing approach.
D. is a method of promotion implemented where the employees' effort is an expendable part of the product.
E. is a type of internal marketing effort which is a combination of both the pushing and pulling approach.

217. A producer using very aggressive promotion to get final consumers to ask intermediaries for a new product has:

A. a pulling policy.
B. a target marketing policy.
C. a selective distribution policy.
D. a pushing policy.
E. an intensive distribution policy.

218. _____ means getting customers to ask intermediaries for the product.

A. Pulling
B. Pushing
C. Branding
D. Underwriting
E. Forecasting

219. A producer might use a "pulling policy" rather than a "pushing policy" if:

A. intermediaries are reluctant to handle a new product.
B. it is offering a very "high-tech" product to a small product-market.
C. its sales force has been very successful getting wholesalers and retailers to handle its product.
D. it has a very limited promotion budget.
E. All of the above.

220. Clairol Corp. is introducing a new brand of shampoo in a highly competitive market. Wholesalers might be willing to handle the new product, except that retailers are already complaining about overcrowded shelf space. Therefore, Clairol has decided to spend $10 million on TV advertising and send free samples to 3,000,000 households to convince consumers of the new product's superiority--and to get them to ask for it at their retail store. Clairol is using:

A. dual distribution.
B. a "pulling" policy.
C. direct marketing.
D. a "pushing" policy.
E. a sampling distribution.

221. A producer of disposable diapers is planning to introduce a new brand of diapers that is specially designed for large babies who are hard to fit with regular diapers. The company mails coupons for the new brand to all the consumers in its database of disposable diaper users. The coupons offer consumers a $2 discount off the regular price of a pack of diapers. The company sends an accompanying letter advising consumers to bring the coupons to their favorite store and use them. If the brand is not in stock, the letter encourages consumers to ask the store manager to stock the new brand. This promotion effort by the company is an example of:

A. Pushing in the channel.
B. Pulling by customers.
C. Integrated marketing communications.
D. Buyer-initiated communication.
E. None of the above.

222. In promotion to final consumers:

A. advertising and sales promotion are the dominant promotion methods.
B. aggressive personal selling is usually found only in expensive channel systems.
C. reminder ads may be all the promotion that is needed for products that have won brand preference or insistence.
D. personal selling is effective for consumer electronics and automobiles.
E. all of the above.

223. Producers and wholesalers that target business customers typically emphasize

A. publicity.
B. mass selling.
C. personal selling.
D. advertising.
E. sales promotions.

224. Wholesalers spend the largest share of their promotion money on:

A. personal selling.
B. direct-mail advertising.
C. advertising.
D. sales promotion.
E. publicity.

225. Personal selling is MOST LIKELY to dominate a producer's promotion blend when the target customers are:

A. organizational and business buyers
B. young married couples
C. teenagers
D. working wives
E. senior citizens

226. In promotion to business customers, personal selling is often the dominant promotion method because:

A. there are fewer business customers than final consumers.
B. the sales message may need to be adjusted to the needs of different people in the firm.
C. purchases are typically large and thus justify the effort.
D. buyers are more likely to have technical questions.
E. all of the above.

227. In promotion to intermediaries:

A. personal selling is the dominant promotion method.
B. trade ads are used to inform intermediaries about new offerings.
C. promotion must be both informative and persuasive.
D. sales promotions are used to boost the intermediary's profits on a short-term basis.
E. all of the above.

228. The "adoption curve" shows:

A. when different groups accept ideas.
B. how quickly a firm should drop current products.
C. the relationship between promotion spending and sales.
D. when a firm should introduce a new product.
E. All of the above.

229. The adoption curve concept is most closely related to which of the following?

A. "noise" in the communication process
B. sales promotion aimed at a company's own sales force
C. the product life cycle
D. selective demand
E. the AIDA model

230. The "adoption curve" shows that:

A. most new products are introduced too slowly.
B. the marketing plan for a new product should schedule most of the promotion spending right when the product is first introduced.
C. some groups accept a new idea before others.
D. a firm should stick to the same promotion effort as time passes.
E. All of the above.

231. The adoption curve

A. emphasizes the importance of securing the wholehearted cooperation of channel members to promote the product in the channel and to the final user.
B. emphasizes the relations among groups and shows that individuals in some groups act as leaders in accepting a new idea.
C. is any distraction that reduces the effectiveness of the communication process.
D. is the intentional coordination of every communication from a firm to a target customer to convey a consistent and complete message.
E. puts more emphasis on technology and less on relationships.

232. Which of the following shows the correct sequence of market acceptance of a new idea, as represented in the adoption curve?

A. Early adopters, innovators, laggards, early majority, late majority.
B. Early majority, late majority, early adopters, innovators, laggards.
C. Early adopters, early majority, late majority, innovators, laggards.
D. Innovators, early majority, late majority, early adopter, laggards.
E. Innovators, early adopters, early majority, late majority, laggards.

233. Which of the following groups is likely to be the first to adopt a new product?

A. early majority
B. innovators
C. late majority
D. early adopters
E. laggards

234. A retailer's target customers are young, well educated, and mobile--with many contacts outside their local social group and community. They are eager to try new ideas and are willing to take risks. These target customers are:

A. innovators.
B. laggards.
C. early adopters.
D. the late majority.
E. the early majority.

235. The innovators are the group of customers who

A. have fewer contacts outside their own social group or community.
B. tend to have the greatest contact with salespeople.
C. tend to avoid risk and wait to consider a new idea after many early adopters have tried it—and liked it.
D. tend to be older, less well educated, and cling to the status quo thinking it is the safest way.
E. are likely to be mobile and have many contacts outside their local social group and community.

236. The best way to reach INNOVATORS is through:

A. the mass media.
B. salespeople.
C. local opinion leaders.
D. impersonal and scientific information sources.
E. salespeople and the mass media.

237. Which of the following statements about innovators is not true?

A. Innovators tend to rely on impersonal and scientific information sources, or other innovators, rather than salespeople.
B. Innovators often search for information on the Internet, read articles in technical publications, or look for informative ads in special interest magazines.
C. Innovators tend to be young and well educated and are eager to try a new idea.
D. Innovators need strong social pressure from their own peer group before they adopt a new product.
E. Innovators are also constituted by specialized business firms who are willing to take the risk of doing something new.

238. Which of the following adopter groups is described correctly?

A. Laggards--respectable
B. Innovators--willing to take risks
C. The late majority--follow the innovators
D. The early majority--opinion leaders
E. Early adopters--traditional

239. When marketing a truly new product, a marketing manager should:

A. use an informing promotion objective.
B. target communication towards innovators and early adopters.
C. attempt to obtain publicity.
D. All of the above are true.
E. None of the above is true.

240. Early adopters, compared to innovators:

A. Adopt a new idea earlier.
B. Tend to have greater contact with salespeople.
C. Rely more heavily on scientific or impersonal information sources.
D. Are more willing to take risks.
E. Are infrequently opinion leaders.

241. Early adopters

A. tend to rely on information sources that are not controlled by marketers.
B. tend to be opinion leaders.
C. are the first adoption curve group to buy a product.
D. all of the above.
E. none of the above.

242. The best way to reach EARLY adopters is through:

A. impersonal and scientific information media.
B. salespeople and mass media.
C. innovators.
D. the mass media.
E. opinion leaders.

243. A research report shows that a magazine's readers are well respected by their peers and high in opinion leadership. They tend to be younger, more mobile, and more creative than later adopters. But they have fewer contacts outside their own social group or community than innovators. A firm might advertise to the readers of this magazine if it is targeting:

A. laggards.
B. innovators.
C. the early majority.
D. early adopters.
E. the late majority.

244. The _____ can help the promotion effort by spreading word-of-mouth information and advice among other consumers.

A. innovators
B. late majority customer group
C. laggards
D. early adopters
E. nonadopters

245. Which of the following adopter groups is most important to "sell"--given the importance of opinion leaders?

A. Late majority
B. Early majority
C. Laggards
D. Innovators
E. Early adopters

246. Early adopters

A. can help the promotion effort by spreading word-of-mouth information and advice among other consumers.
B. tend to rely on impersonal and scientific information sources, or other innovators, rather than salespeople.
C. avoid risk and wait to consider a new idea after laggards have tried it—and liked it.
D. make little use of marketing sources of information—mass media and salespeople.
E. tend to look to the early majority group for advice.

247. Regarding opinion leadership, which of the following statements is TRUE?

A. Opinion leaders are easy to identify because people seek them out for advice on all kinds of topics.
B. It is very important to reach the innovators--because this adopter group is the highest in opinion leadership.
C. "Word of mouth" always does the real selling job--so Promotion is not necessary.
D. All of the above are true.
E. None of the above is true.

248. Which of the following is NOT true concerning adoption curve groups?

A. The early adopter group tends to have the greatest contact with salespeople.
B. Early adopters are often unusual people who are not seen as opinion leaders.
C. Innovators rely more on impersonal sources of information than on salespeople.
D. Business firms in the innovator group are usually large and rather specialized.
E. The early majority group have a lot of contact with mass media, salespeople, and opinion leaders.

249. The EARLY MAJORITY have a lot of contact with:

A. innovators.
B. the mass media only.
C. the mass media, salespeople, and early adopter opinion leaders.
D. impersonal and scientific information sources.
E. salespeople only.

250. The early majority group

A. tends to have the greatest contact with salespeople.
B. tends to cling to the status quo and think it's the safe way.
C. prefers to do things the way they have been done in the past and are very suspicious of new ideas.
D. tends to avoid risk and waits to consider a new idea after many early adopters have tried it—and liked it.
E. can help the promotion effort by spreading word-of-mouth information and advice among other consumers.

251. A retailer's target market consists of people who usually will not consider a new idea until others have tried it--and liked it. These potential customers have a lot of contact with mass media and salespeople, but usually are not opinion leaders. These target customers are:

A. early adopters.
B. laggards.
C. innovators.
D. the early majority.
E. the late majority.

252. Regarding adopter groups, which of the following statements is TRUE?

A. Innovators rely on the mass media and salespeople.
B. The early majority usually aren't opinion leaders.
C. Laggards rely primarily on opinion leaders.
D. Early adopters make little use of salespeople.
E. The late majority make the most use of salespeople.

253. The LATE MAJORITY:

A. make a lot of use of mass media.
B. respond more to social pressure from other late adopters than to salespeople.
C. make a lot of use of salespeople.
D. use salespeople and have much contact with the early majority.
E. have a lot of contact with early adopters.

254. Business firms in the late majority group

A. are willing to take the risk of doing something new.
B. tend to be older and less well educated.
C. are the smallest businesses with the least specialization.
D. tend to be highly specialized.
E. tend to be conservative, smaller-sized firms with little specialization.

255. Regarding adoption curve groups, which of the following is TRUE?

A. By the time the early majority buy a product it is usually in the market maturity stage of the product life cycle.
B. The early adopters have many contacts outside their own social group, and are important in spreading information to laggards.
C. Business firms in the late majority group tend to be conservative, smaller-sized firms with little specialization.
D. The laggard group may be slow to adopt, but it is so large that it is very important to reach them.
E. None of the above is true.

256. A retailer's target customers are skeptical and cautious about new ideas. Strong social pressure from their own peer group may be needed before they adopt a new product. These target customers are:

A. the early majority.
B. laggards.
C. innovators.
D. early adopters.
E. the late majority.

257. Lauren Diaz is strongly influenced by her peer group--and she often adopts a new product only after they have pressured her to try it. She makes little use of mass media and salespeople as sources of information. In terms of the adoption curve, she is

A. a laggard
B. a late majority
C. an early adopter
D. an innovator
E. an early majority

258. Jeanne Bowman is an active, healthy, 80-year-old widow and mother of five grown children who range in age from 42 to 60 years old. She is well-informed and very conservative in her social and political views. Like many people in her age group, she is cautious when it comes to high-technology products, but in the last three years, she has purchased a cellular phone and learned to use e-mail, mainly due to the urging of her children and friends. She has just decided to purchase a DVD player because she watched a DVD movie at her daughter's home and really liked the quality of the picture. As was the case with her other high-tech purchases, a family member will accompany her when she buys the DVD player. Regarding Jeanne's adoption of DVD technology, she seems to be in the _____ group.

A. Innovator.
B. Early adopter.
C. Early majority.
D. Late majority.
E. Laggard.

259. Regarding the adoption curve, marketers may determine that there is little to be gained from trying to inform or influence the:

A. Innovators.
B. Early adopters.
C. Early majority.
D. Late majority.
E. Laggards.

260. LAGGARDS or NON-ADOPTERS:

A. are usually the smallest businesses with the least specialization.
B. tend to be older and less well educated.
C. rely mainly on other laggards for information.
D. are suspicious of new ideas.
E. All of the above.

261._____ prefer to do things the way they have been done in the past and are very suspicious of new ideas.

A. Innovators
B. Early adopters
C. Laggards or nonadopters
D. Late majority customer group
E. Opinion leaders

262. A marketing manager should realize that the adoption curve concept implies

A. that the firm's promotion target should be the innovators.
B. that the laggards are cautious, but that they are willing to adopt a new product quickly if advertising gets their attention.
C. using different promotional mixes for different adopter groups.
D. All of the above are true.
E. None of the above is true.

263. Selecting an effective promotion blend to reach a firm's promotion objectives requires careful consideration of the:

A. nature of competition.
B. promotion budget available.
C. product life cycle stage.
D. All of the above.
E. Only A and B.

264. During the market introduction stage of the product life cycle, the basic objective of promotion is usually to:

A. spend more money on promotion than competitors.
B. remind customers about the firm and its products.
C. inform potential customers of the product.
D. stimulate selective demand.
E. persuade the early majority to buy the product.

265. A producer is likely to focus its promotion effort on stimulating primary demand at what stage in the product life cycle?

A. Market introduction.
B. Market growth.
C. Market maturity.
D. Sales decline.
E. When selective demand is over.

266. In the market introduction stage

A. the main job is to persuade customers to buy, and keep buying, the company's product.
B. the basic promotion objective is informing.
C. more competitors enter the market.
D. promotion emphasis shifts from building primary demand to stimulating selective demand.
E. mass selling and sales promotion dominate the promotion blends of consumer products firms.

267. Primary demand is

A. the demand for the general product idea.
B. just the demand for the company's own brand.
C. the main form of mass selling.
D. any unpaid form of nonpersonal presentation of ideas, goods, or services.
E. any paid form of nonpersonal presentation of ideas, or services by an identified sponsor.

268. During the market growth stage of the product life cycle, a producer would focus promotional efforts on creating _____ demand for its own brand.

A. Competitive
B. Customer
C. Selective
D. Discerning
E. Persuasive

269. A producer is likely to focus its promotion effort on stimulating selective demand at what stage in the product life cycle?

A. Market introduction.
B. Market growth.
C. Market maturity.
D. Sales decline.
E. When primary demand is exhausted.

270. Regarding PRODUCT LIFE CYCLES and PROMOTION:

A. During market introduction, the basic promotion objective is to remind.
B. In sales decline, the amount spent on promotion usually increases as firms use reminder promotion to increase demand.
C. Persuading becomes important in the market growth stage.
D. In market maturity, more competitors enter the market and the promotion emphasis must now shift to building selective demand for the firm's own brand.
E. All of the above are true.

271. All of the following are true of the market growth stage except

A. the main job is to persuade customers to buy, and keep buying, the company's product.
B. the promotion must build primary demand and not just for the company's own brand.
C. more competitors enter the market and mass selling becomes more economical.
D. the promotion emphasis shifts to stimulating selective demand.
E. salespeople and personal selling work towards expanding the number of outlets and cementing relationships with channel members.

272. A firm with a product in the maturity stage of the product life cycle is likely to focus on which basic promotion objective?

A. pioneering
B. publicizing
C. informing
D. lagging
E. persuading

273. In the promotion blend during the market maturity stage of the product life cycle:

A. The total amount spent on promotion usually decreases.
B. The total amount spent on promotion may rise as competition increases.
C. The basic promotion objective is informing.
D. The promotion emphasis starts to shift from building primary demand to building selective demand.
E. None of the above.

274. In the market maturity stage

A. sales promotion may be targeted at channel members to get them interested in selling the new product.
B. mass selling becomes more economical.
C. business products require less aggressive personal selling.
D. mass selling and sales promotion may dominate the promotion blends of consumer products firms.
E. the main job is to persuade customers to buy, and keep buying, the company's product.

275. Regarding promotion blends, which of the following statements is TRUE?

A. Consumer products producers should rely almost completely on personal selling in the market maturity stage.
B. Reminding becomes important in the market introduction stage.
C. More targeted promotion is needed during the sales decline stage of the product life cycle.
D. Informing becomes important in the market growth stage.
E. None of the above is true.

276. During the sales decline stage

A. the total amount spent on promotion usually decreases as firms try to cut costs to remain profitable.
B. firms do not need targeted promotion to reach customers.
C. personal selling will probably dominate the promotion blends of consumer products firms.
D. promotion emphasis shifts from stimulating selective demand to building primary demand.
E. sales promotion is primarily targeted at intermediaries to get them interested in selling the product.

277. Regarding PROMOTION BUDGETS and PROMOTION BLENDS:

A. A national TV ad might cost less per person reached than a local TV ad.
B. The total cost of mass media may force small firms to use promotion alternatives that are more expensive per person.
C. A city-wide newspaper ad might cost less per person reached than a neighborhood newspaper ad.
D. There are some economies of scale in promotion.
E. All of the above are true.

278. The MOST COMMON method of setting the marketing budget is to

A. let internal politics decide.
B. estimate what competitors are spending.
C. determine the cost of the tasks to be accomplished.
D. use all uncommitted revenue.
E. use some predetermined percentage of past or forecast sales.

279. The most COMMON method of budgeting for marketing expenses is to:

A. match competitors' spending.
B. allocate any funds not already allocated to other functions.
C. allocate enough to completely eliminate the cost of lost customers.
D. allocate for the job that needs to be done.
E. allow a percentage of either past or forecasted sales.

280. Budgeting for promotion expenditures by computing a percentage of past or expected sales:

A. is the most common method of setting the promotion budget.
B. is a complex method of budgeting.
C. will increase promotional expenditures when business is poor.
D. all of the above.
E. none of the above.

281. Budgeting for marketing expenses by computing a percentage of forecasted sales:

A. is especially suitable for new products.
B. always results in increased expenditure levels from year to year.
C. is very complicated--and thus this method is not used very often.
D. may lead to a drop in marketing expenses at a time when the firm wants to maintain or expand sales.
E. tends to result in large changes in marketing expenses from year to year.

282. According to the text, the most sensible method for budgeting for promotion expenses is to:

A. allocate some fixed percentage of net sales.
B. allocate all available funds.
C. allocate money for direct-response promotion first and then use money that's left for integrated marketing communications.
D. match expenditures with competitors.
E. use the "task method."

283. According to the text discussion on setting a marketing budget,

A. the most objective approach is to use Pareto approaches.
B. the only practical alternative is to match what competitors are spending.
C. the most sensible approach is to determine the cost of the tasks to be accomplished.
D. the task method is likely to result in too low a budget when sales are going well.
E. it is generally best to simply use some predetermined percentage of past or forecast sales.

284. The task method for budgeting marketing expenses:

A. means that a company budgets roughly what competitors budget for each item.
B. budgets last year's marketing expense ratio times FORECASTED sales.
C. might result in very different marketing expenses from year to year.
D. is the most commonly used method of setting budgets.
E. None of the above is true.

285. The task method of budgeting for promotion expenditures:

A. Links the budget to the promotion objectives set by the company.
B. Involves determining the promotion methods that will effectively achieve the communication tasks required.
C. Can help to eliminate budget fights between managers responsible for different promotion methods.
D. May result in significantly different promotional expenditures from year to year.
E. All of the above.

286. In this method of budgeting, the spending level might be based on the number of new customers desired and the percentage of current customers that the firm must retain to leverage investments in already established relationships.

A. Basing the budget on the job to be done.
B. Basing the budget on any uncommitted revenue.
C. Setting the budget as a certain number of cents or dollars per sales unit.
D. Matching expenditures with competitors.
E. Setting the budget based as a certain number of dollars per person.

**Use this information for questions that refer to the Yummy Ice Cream case.**

Kelly Stich, marketing manager for Yummy Ice Cream Products, is thinking about some of her products and her promotion plans for the coming year.

Yummy Ice Cream Products is introducing a new ice cream treat called *PlanetSavers*. This treat uses ice cream produced with environmentally friendly processes that save energy and protect the ozone. Yummy plans to send articles to magazines, local newspapers, and environmental groups that explain the environmentally safer treat. The product also has a unique texture and different flavor.

Stich wants to use counter cards and in-store signs to let people know about Cherry Walrus, the company's new flavor. She is also developing sales training materials that will teach ice cream scoopers in Yummy's ice cream stores to promote the product. Right after Cherry Walrus is introduced each store will also hand out coupons that are good for one day only.

*Yummy Mondaes* is a product that has been around for 25 years. It is Yummy's take on the classic ice cream sundae, but white-brownie and coffee-flavored crumbles are added to make it extra special. The company sells this product in one and two quart containers through major grocery store chains. It relies on personal selling and price discounts to retailers to move more of the product. The company does very little consumer promotion for this product.

*Yummy Fudge on a Stick* is a new product of fudge-flavored ice cream on a stick. Yummy plans to sell it through retail grocery stores also and is launching an aggressive advertising program that will use television, radio, newspaper, magazines, and the Internet. Most of its promotion will be directed at consumers.

Two years ago the company introduced *Yummy Fruit on a Stick*, an all-natural frozen fruit product on a stick. The product category has been popular, continues to grow, and is in the market growth stage of the product life cycle.

287. The plan for *PlanetSavers* emphasizes which element of the promotion blend?

A. Advertising
B. Publicity
C. Personal selling
D. Sales promotion
E. Direct-response promotion

288. If Yummy relies on a sales contest to stimulate sales of *Cherry Walrus*, this would be an example of:

A. advertising
B. personal selling
C. sales training
D. sales promotion
E. publicity

289. For a new product like *PlanetSavers*, which of the following would you expect to be a primary objective of the promotion that is planned?

A. control of the message channel
B. increased promotional push
C. informing consumers
D. reminding ice cream shop managers and retailers
E. persuading consumers who otherwise wouldn't eat ice cream.

290. If Yummy wanted to target opinion leaders, which of the following groups is most likely to include them?

A. innovators
B. early adopters
C. laggards
D. late majority
E. early majority

291. Which of the following AIDA promotion objectives is best achieved by coupons for *Cherry Walrus*?

A. attention
B. interest
C. desire
D. action

292. The promotion for *Yummy Mondaes* is a good example of:

A. pushing
B. direct-response promotion
C. pulling
D. integrated marketing communications
E. noise in the communication process

293. The *Yummy Fudge on a Stick* promotion plan relies on:

A. direct-response promotion
B. integrated marketing communications
C. pushing
D. pulling
E. noise in the communication process

294. According to your textbook, with a new product like *PlanetSavers*, a marketing manager should:

A. attempt to obtain publicity
B. target initial communications toward innovators and early adopters
C. use an informing promotional objective
D. all of the above
E. none of the above

295. The brand manager who puts together a promotion blend for *Yummy Mondaes* should:

A. realize that the right blend depends more on what customers expect than what the firm wants to accomplish.
B. determine who the firm is trying to influence.
C. determine the one right promotion blend and then implement it.
D. be primarily concerned with informing rather than persuading.

296. Based on where the product category is in the product life cycle, promotion for *Yummy Fruit on a Stick* should:

A. emphasize ways that *Yummy Fruit on a Stick* is best.
B. be cut back or dropped so that money can be used on products that contribute to customer equity.
C. use reminder advertising.
D. build primary demand.

297. Which of the following illustrates communication "noise"?

A. A radio ad for *Planet Savers* is recorded at a higher volume than the music.
B. A consumer waiting in line for an ice cream cone can't see the sign promoting Cherry Walrus because the store is so crowded.
C. A consumer who thinks that environmentally friendly ice-cream is a stupid idea decides to try the new Planet Savers flavor anyway.
D. A TV ad for *Yummy Fudge on a Stick* features a large group of children singing and eating *Yummy* ice cream.
E. All of these illustrate "noise."

298. Which of the following illustrates customer-initiated interactive communication?

A. People who enter Yummy's online contest receive a "2 for 1" coupon for Yummy's new flavors.
B. A customer goes to Yummy's website to see if Yummy has an ice cream shop that is nearby.
C. A consumer goes to the CNN website and selects a video clip from World Cup Soccer, but at the start of the clip there is a short ad that shows kids eating *Yummy Mondaes*
D. A "gamer" at an online website ends a game and encounters a pop-up ad for *Yummy Fruit on a Stick*.
E. Consumers who participate in an online marketing research survey are later called and interviewed about which of Yummy's ads they remember.

299. To get the most out of its promotion spending, Yummy should probably develop its budget by:

A. allocating some fixed percentage of net sales.
B. matching expenditures with competitors.
C. allocating money to the needs of new products first, then use any leftover money for other products.
D. using the "task method."
E. spending all available funds.

# ch13 Key

1. *(p. 322)* Promotion is communicating information between the seller and the potential buyer or others in the channel to influence attitudes and behavior.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #1*
*Question Type: Definition*
*Self-Test: No*

2. *(p. 322)* The promotion part of the marketing mix involves telling target customers that the right product is available at the right place at the right price.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #2*
*Question Type: Comprehension*
*Self-Test: No*

3. *(p. 322)* The marketing manager's promotion job is to tell target customers that the right Product is available at the right Place at the right Price.

**TRUE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #3*
*Question Type: Definition*
*Self-Test: No*

4. *(p. 322-323)* A marketing manager can choose from only two promotion methods--personal selling and mass selling.

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #4*
*Question Type: Definition*
*Self-Test: No*

5. *(p. 323)* Direct spoken communication between sellers and potential customers is personal selling.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #5*
*Question Type: Definition*
*Self-Test: No*

6. Personal selling involves direct spoken communication between sellers and potential customers.
*(p. 323)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #6*
*Question Type: Definition*
*Self-Test: No*

7. With personal selling, the company's marketing mix can be adapted to the needs of each target market, but personal selling is usually quite expensive.
*(p. 323)*

**TRUE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #7*
*Question Type: Definition*
*Self-Test: No*

8. Face-to-face communication with large numbers of customers at the same time is mass selling.
*(p. 323)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #8*
*Question Type: Definition*
*Self-Test: No*

9. Spoken communication with large numbers of customers at the same time is mass selling.
*(p. 323)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #9*
*Question Type: Definition*
*Self-Test: No*

10. When the target market is large and spread out, mass selling may be less expensive than personal selling.
*(p. 323)*

**TRUE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #10*
*Question Type: Definition*
*Self-Test: No*

11. A major advantage of mass selling is that the source can receive immediate feedback from the receiver.
*(p. 323)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #11*
*Question Type: Definition*
*Self-Test: No*

12. Mass selling includes both advertising and publicity.
*(p. 323)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #12*
*Question Type: Definition*
*Self-Test: No*

13. Advertising is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.
*(p. 323)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #13*
*Question Type: Definition*
*Self-Test: No*

14. Publicity is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.
*(p. 324)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #14*
*Question Type: Definition*
*Self-Test: No*

15. Publicity is the nonpersonal presentation of ideas, goods, or services which is paid for by an identified sponsor.
*(p. 324)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #15*
*Question Type: Definition*
*Self-Test: No*

16. Because publicity is "free," it is usually far less effective than advertising if the firm has a new message.
*(p. 324)*

**FALSE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #16*
*Question Type: Definition*
*Self-Test: No*

17. More money is spent on media costs for publicity each year than is spent on media costs for advertising.
*(p. 324)*

**FALSE**

*AACSB: 10 Org Dynamics; 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #17*
*Question Type: Definition*
*Self-Test: No*

18. Publicity allows a firm to avoid media costs.
*(p. 324)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #18*
*Question Type: Definition*
*Self-Test: No*

19. Sales promotion can be aimed at intermediaries, at final consumers, or even at a firm's own employees.
*(p. 325)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #19*
*Question Type: Definition*
*Self-Test: No*

20. Sales promotion may be aimed at final consumers, retailers, wholesalers, or a company's own employees.
*(p. 325)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #20*
*Question Type: Definition*
*Self-Test: No*

21. Sales promotion is special advertising or personal selling that is aimed at intermediaries in the channel.
*(p. 325)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #21*
*Question Type: Definition*
*Self-Test: No*

22. In comparison with other promotion methods, sales promotion can neither be implemented quickly, nor get results quickly.
*(p. 325)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #22*
*Question Type: Definition*
*Self-Test: No*

23. A point-of-purchase sample given to consumers is a good example of sales promotion.
*(p. 325)*

**TRUE**

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #23*
*Question Type: Definition*
*Self-Test: No*

24. In total, firms spend less money on advertising than on personal selling or sales promotion.
*(p. 325)*

**TRUE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #24*
*Question Type: Definition*
*Self-Test: No*

25. A sales promotion manager's job is choosing the right media and developing the advertisements.
*(p. 326)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 2*
*Perreault - Chapter 13 #25*
*Question Type: Application*
*Self-Test: No*

26. It is the job of a sales promotion specialist to come up with an effective promotion blend.
*(p. 326)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #26*
*Question Type: Definition*
*Self-Test: No*

27. Deciding on the right promotion blend should be the job of the advertising manager.
*(p. 326)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #27*
*Question Type: Definition*
*Self-Test: No*

28. It is the job of the marketing manager to come up with an effective promotion blend.
*(p. 326)*

**TRUE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #28*
*Question Type: Definition*
*Self-Test: No*

29. Because the advertising, sales, and sales promotion managers all have similar outlooks and experiences, they usually work together very well to develop the right promotion blend.
*(p. 326)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #29*
*Question Type: Definition*
*Self-Test: No*

30. Integrated marketing communications means the intentional coordination of every communication from a firm to a target customer to convey a consistent and complete message.
*(p. 326)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 2*
*Perreault - Chapter 13 #30*
*Question Type: Definition*
*Self-Test: No*

31. *(p. 326)* A firm that adopts the integrated marketing communications concept tries to coordinate all of its promotion communications to a target customer to convey a consistent and complete message.

**TRUE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #31*
*Question Type: Definition*
*Self-Test: No*

32. *(p. 326)* The basic idea behind integrated marketing communications is that it is critical for all of the different firms in a channel of distribution for a product to have an input in developing the advertising campaign for the product.

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #32*
*Question Type: Definition*
*Self-Test: No*

33. *(p. 326)* Developing integrated marketing communications is more difficult when different firms in the channel handle different aspects of the promotion effort.

**TRUE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #33*
*Question Type: Definition*
*Self-Test: No*

34. *(p. 327)* The general objective of promotion is to affect buyer behavior.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #34*
*Question Type: Definition*
*Self-Test: No*

35. *(p. 327)* The right promotion blend depends on what the firm want to accomplish--so the objective must be clearly defined.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 3*
*Perreault - Chapter 13 #35*
*Question Type: Application*
*Self-Test: No*

36. *(p. 328)* The three general promotion objectives of informing, persuading, and reminding are all concerned with providing more information.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #36*
*Question Type: Definition*
*Self-Test: No*

37. *(p. 328)* The informing objective in Promotion is simply a matter of educating the consumer about the firm's product.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #37*
*Question Type: Definition*
*Self-Test: No*

38. *(p. 329)* The four promotion jobs of the AIDA model are to get Attention, to hold Interest, to arouse Desire, and to obtain Action.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #38*
*Question Type: Definition*
*Self-Test: No*

39. *(p. 329)* The four promotion jobs of the AIDA model are to get Attention, to Inform, to eliminate Doubt, and to change Attitudes.

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #39*
*Question Type: Definition*
*Self-Test: No*

40. *(p. 329)* According to the AIDA model, promotion should try to change Attitudes, shape Intentions, arouse Desire, and cause Activity.

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #40*
*Question Type: Definition*
*Self-Test: No*

41. *(p. 330)* In the traditional communication process, a receiver tries to deliver a message to a source through a message channel.

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #41*
*Question Type: Definition*
*Self-Test: No*

42. *(p. 330)* A major advantage of mass selling is that the source—the seller—can get immediate feedback from the receiver.

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #42*
*Question Type: Definition*
*Self-Test: No*

43. *(p. 330)* "Noise" in the traditional communication process is any distraction that reduces the effectiveness of the communication process.

**TRUE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #43*
*Question Type: Definition*
*Self-Test: No*

44. *(p. 330)* During the traditional communication process, a source does decoding and a receiver does encoding.

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #44*
*Question Type: Definition*
*Self-Test: No*

45. *(p. 330-331)* Communication often breaks down because the receiver's decoded message is different than the message the source encoded.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #45*
*Question Type: Definition*
*Self-Test: No*

46. For communication to be effective, there must be a common frame of reference between the source and the receiver.
*(p. 330)*

**TRUE**

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #46*
*Question Type: Definition*
*Self-Test: No*

47. The message channel may be as important as the message itself in influencing the receiver.
*(p. 331)*

**TRUE**

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #47*
*Question Type: Definition*
*Self-Test: No*

48. Customers evaluate both the message and the source of the message only in terms of credibility.
*(p. 329-331)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #48*
*Question Type: Definition*
*Self-Test: No*

49. Most direct marketing communications are designed to prompt immediate feedback.
*(p. 332)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #49*
*Question Type: Definition*
*Self-Test: No*

50. Achieving a measurable, direct response from specific target customers is the heart of direct marketing.
*(p. 332)*

**TRUE**

*AACSB: 1 Communication abilities; 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #50*
*Question Type: Definition*
*Self-Test: No*

51. *(p. 332)* The main problem with integrated direct-response promotion is that it's nearly impossible to determine if it's effective.

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #51*
*Question Type: Definition*
*Self-Test: No*

52. *(p. 332)* Integrated direct-response promotion has expanded beyond direct-mail advertising to include other media.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #52*
*Question Type: Definition*
*Self-Test: No*

53. *(p. 332)* In addition to mail, direct-response promotion may include telephone, print, e-mail, and the Internet.

**TRUE**

*AACSB: 4 Use of IT*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #53*
*Question Type: Definition*
*Self-Test: No*

54. *(p. 332)* In addition to mail, direct-response promotion may include websites, broadcast, e-mail, and interactive media.

**TRUE**

*AACSB: 4 Use of IT*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #54*
*Question Type: Definition*
*Self-Test: No*

55. *(p. 332)* Direct-response promotion targets specific individuals who respond directly.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #55*
*Question Type: Definition*
*Self-Test: No*

56. Direct-response promotion targets groups instead of individuals.
*(p. 332)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #56*
*Question Type: Definition*
*Self-Test: No*

57. Direct-response promotion usually relies on a CRM database.
*(p. 332)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #57*
*Question Type: Definition*
*Self-Test: No*

58. Direct-response promotion usually relies on a customer relationship management database to target specific prospects.
*(p. 332)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #58*
*Question Type: Definition*
*Self-Test: No*

59. In direct-response promotion, CRM databases have been successful in targeting final consumers but have been little help in targeting business customers.
*(p. 332)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #59*
*Question Type: Definition*
*Self-Test: No*

60. The traditional view of promotion has focused on communication initiated by the seller.
*(p. 333)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #60*
*Question Type: Definition*
*Self-Test: No*

61. The traditional view of promotion has focused on communication initiated by the buyer.
*(p. 333)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #61*
*Question Type: Definition*
*Self-Test: No*

62. With new types of interactive promotion, the communication process is often initiated by the buyer.
*(p. 334)*

**TRUE**

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #62*
*Question Type: Definition*
*Self-Test: No*

63. In customer-initiated communication, it is common for the customer to initiate communication with a search keyword.
*(p. 334)*

**TRUE**

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #63*
*Question Type: Definition*
*Self-Test: No*

64. Customer-initiated interactive communication makes it easy for a consumer to get as much information as desired.
*(p. 335)*

**TRUE**

*AACSB: 1 Communication abilities; 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 6*
*Perreault - Chapter 13 #64*
*Question Type: Definition*
*Self-Test: No*

65. In customer-initiated communication, the customer decides how much information to get.
*(p. 335)*

**TRUE**

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #65*
*Question Type: Definition*
*Self-Test: No*

66. In customer-initiated communication, the source decides how much information to send.
*(p. 335)*

**FALSE**

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #66*
*Question Type: Definition*
*Self-Test: No*

67. In customer-initiated interactive communication, noise is no longer a factor.
*(p. 335)*

**FALSE**

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #67*
*Question Type: Definition*
*Self-Test: No*

68. The traditional principles of communication are not important in customer-initiated interactive communication.
*(p. 336)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 6*
*Perreault - Chapter 13 #68*
*Question Type: Definition*
*Self-Test: No*

69. Online interactive communication enables retailer websites to remember individual customers and automatically recall their past purchases.
*(p. 336)*

**TRUE**

*AACSB: 4 Use of IT*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #69*
*Question Type: Definition*
*Self-Test: No*

70. A complete promotion blend may need to consider channel members (along the channel) as well as customers (at the end of the channel).
*(p. 336)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #70*
*Question Type: Definition*
*Self-Test: No*

71. Pushing (a product through a channel) means using normal promotion effort to help sell the whole marketing mix to intermediaries.
*(p. 336)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #71*
*Question Type: Definition*
*Self-Test: No*

72. "Pushing" a product through a channel relies on very aggressive promotion to final consumers to try to get them to ask intermediaries for the product.
*(p. 336)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #72*
*Question Type: Definition*
*Self-Test: No*

73. The pushing approach recognizes the value of cooperation among firms in a distribution channel.
*(p. 336)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #73*
*Question Type: Definition*
*Self-Test: No*

74. A pushing effort might include sales promotion as well as personal selling.
*(p. 336)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #74*
*Question Type: Definition*
*Self-Test: No*

75. In the pushing effort, an intermediary is likely to pay more attention to the producer that offers it the best profit potential.
*(p. 337)*

**TRUE**

*AACSB: 10 Org Dynamics; 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #75*
*Question Type: Comprehension*
*Self-Test: No*

76. The idea behind a pulling policy is that customer demand helps to pull the product through the channel.
*(p. 337)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #76*
*Question Type: Definition*
*Self-Test: No*

77. The pulling approach emphasizes the importance of securing the wholehearted cooperation of channel members to promote the product in the channel and to the final user.
*(p. 337)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #77*
*Question Type: Definition*
*Self-Test: No*

78. "Pulling" a product through a channel of distribution focuses promotion effort on wholesalers and retailers to get them interested in a producer's marketing mix.
*(p. 337)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #78*
*Question Type: Definition*
*Self-Test: No*

79. Producers with well-branded consumer products and well-established channels typically emphasize personal selling--rather than advertising--in their promotion blends.
*(p. 338)*

**FALSE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #79*
*Question Type: Definition*
*Self-Test: No*

80. Promotion to business customers emphasizes personal selling.
*(p. 338)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #80*
*Question Type: Definition*
*Self-Test: No*

81. Personal selling dominates the promotion mix in business markets. This is practical since there are fewer of these customers and their purchases are typically larger.
*(p. 338)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #81*
*Question Type: Definition*
*Self-Test: No*

82. It is usually too expensive for personal selling to do the whole promotion job for business products, so mass selling is useful too.
*(p. 338)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #82*
*Question Type: Definition*
*Self-Test: No*

83. The AIDA model focuses on markets as a whole while the adoption curve model focuses on individuals.
*(p. 339)*

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #83*
*Question Type: Definition*
*Self-Test: No*

84. The adoption curve shows when different groups will accept new ideas, assuming that the promotion effort should stay the same for all groups.
*(p. 339)*

**FALSE**

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #84*
*Question Type: Definition*
*Self-Test: No*

85. The adoption curve shows that it is important to keep the promotion effort the same as time passes--so consumers won't be confused.
*(p. 339)*

**FALSE**

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #85*
*Question Type: Definition*
*Self-Test: No*

86. The adoption curve concept suggests that some groups within a market tend to be leaders in accepting new ideas.
*(p. 339)*

**TRUE**

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #86*
*Question Type: Definition*
*Self-Test: No*

87. The adoption curve emphasizes the relations among groups and shows that individuals in some groups act as leaders in accepting a new idea.
*(p. 339)*

**TRUE**

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #87*
*Question Type: Definition*
*Self-Test: No*

88. Consumers who are innovators tend to be young and well educated.
*(p. 339)*

**TRUE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #88*
*Question Type: Definition*
*Self-Test: No*

89. An innovator is more likely to rely on information from an impersonal source (such as an article in a scientific magazine) than from a company's salesperson.
*(p. 340)*

**TRUE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #89*
*Question Type: Definition*
*Self-Test: No*

90. Early adopters are respected by their peers--and often are opinion leaders--so what they think about a product is especially important for reaching later adopter groups.
*(p. 340)*

**TRUE**

*AACSB: 11 Analysis for decisions; 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #90*
*Question Type: Definition*
*Self-Test: No*

91. *(p. 340)* Personal selling is likely to be an effective method of promotion for reaching the opinion leaders in the early adopter group.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #91*
*Question Type: Definition*
*Self-Test: No*

92. *(p. 340)* Early adopters tend to rely on impersonal and scientific information sources, or other innovators, rather than salespeople.

**FALSE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #92*
*Question Type: Definition*
*Self-Test: No*

93. *(p. 341)* Blogs can enhance the relationship between a company and its customers, but the costs are high.

**FALSE**

*AACSB: 12 IT influences*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #93*
*Question Type: Definition*
*Self-Test: No*

94. *(p. 341)* The popularity of blogs, online reviews, and other Web media are giving "word of mouse" even more impact than "word of mouth."

**TRUE**

*AACSB: 12 IT influences*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #94*
*Question Type: Definition*
*Self-Test: No*

95. *(p. 340-341)* Favorable word-of-mouth information from opinion leaders can help a new product, but a negative reaction by opinion leaders tends to have no effect.

**FALSE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #95*
*Question Type: Definition*
*Self-Test: No*

96. *(p. 342)* The early majority avoid risk by waiting until many early adopters have tried a product--to see if they liked it.

**TRUE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #96*
*Question Type: Definition*
*Self-Test: No*

97. *(p. 342)* Average-sized business firms that are less specialized often fit in the category of laggards.

**FALSE**

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #97*
*Question Type: Definition*
*Self-Test: No*

98. *(p. 342)* The late majority are less likely to follow opinion leaders and may need some pressure from their own group before they try a new product.

**TRUE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #98*
*Question Type: Definition*
*Self-Test: No*

99. *(p. 342)* The adoption curve concept suggests that it is essential to stimulate early adoption by the laggards--or the product will never get beyond introduction.

**FALSE**

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #99*
*Question Type: Definition*
*Self-Test: No*

100. *(p. 342)* During the market introduction stage of the product life cycle, the basic promotion objective is informing.

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #100*
*Question Type: Definition*
*Self-Test: No*

101. Primary demand is demand for a company's own brand.
*(p. 342)*

**FALSE**

*AACSB: 13 Economic environments*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #101*
*Question Type: Definition*
*Self-Test: No*

102. In the market growth stage, more competitors enter the market, and promotion emphasis shifts from selective demand to primary demand.
*(p. 343)*

**FALSE**

*AACSB: 13 Economic environments*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #102*
*Question Type: Comprehension*
*Self-Test: No*

103. In the market growth stage, sales promotion is targeted at salespeople or channel members to get them interested in selling the new product.
*(p. 343)*

**FALSE**

*AACSB: 13 Economic environments*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #103*
*Question Type: Application*
*Self-Test: No*

104. Mass selling and sales promotion dominate the promotion blends of consumer products firms in the market maturity stage.
*(p. 343)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #104*
*Question Type: Definition*
*Self-Test: No*

105. During the market maturity stage of the product life cycle, the basic promotion objective is persuading.
*(p. 343)*

**TRUE**

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #105*
*Question Type: Definition*
*Self-Test: No*

106. The total cost of mass media may force a small firm to use promotion alternatives that are more expensive on a per contact basis.
*(p. 344)*

**TRUE**

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #106*
*Question Type: Definition*
*Self-Test: No*

107. Computing a percentage of either past sales or sales expected in the future is the most common method of budgeting for promotion expenditures.
*(p. 344)*

**TRUE**

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 9*
*Perreault - Chapter 13 #107*
*Question Type: Application*
*Self-Test: No*

108. The task method of budgeting bases the budget on the job to be done now, not on what was spent in the past.
*(p. 344)*

**TRUE**

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 9*
*Perreault - Chapter 13 #108*
*Question Type: Definition*
*Self-Test: No*

109. The task method of budgeting focuses on the amount being spent by competitors.
*(p. 344)*

**FALSE**

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 9*
*Perreault - Chapter 13 #109*
*Question Type: Definition*
*Self-Test: No*

110. "Promotion" includes:
*(p. 322)*

A. personal selling.
B. mass selling.
C. sales promotion.
**D.** All of the above.
E. only A and B above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #110*
*Question Type: Definition*
*Self-Test: No*

111. Which of the following is NOT a promotion method?
*(p. 322)*

A. mass selling
B. personal selling
C. sales promotion
**D.** All of the above are promotion methods.
E. None of the above are promotion methods.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #111*
*Question Type: Definition*
*Self-Test: No*

112. "Promotion" does NOT include:
*(p. 322-323)*

A. personal selling.
B. sales promotion.
C. advertising.
**D.** introductory price dealing.
E. publicity.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #112*
*Question Type: Definition*
*Self-Test: No*

113. Communicating with customers is known as the _____ portion of the marketing mix.
*(p. 322)*

A. Placement
B. Positioning
**C.** Promotion
D. Pricing.
E. Production

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #113*
*Question Type: Definition*
*Self-Test: No*

114. "Promotion" is MAINLY concerned with:
*(p. 322)*

A. obtaining a favorable corporate image.
**B.** telling the target market that the right Product is available in the right Place at the right Price.
C. obtaining maximum publicity--at the lowest cost.
D. informing the public about the firm's offerings to maximize sales.
E. getting people to buy a firm's product--even when it isn't needed.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #114*
*Question Type: Self-Test*
*Self-Test: Self-Test*

115. "Promotion" is concerned with:
*(p. 322)*

A. how suitable messages are communicated to target customers.
B. communicating information between seller and buyer or others in the channel to influence attitudes and behavior.
C. informing customers that the right Product is available at the right Place at the right Price.
D. blending personal selling, mass selling, and sales promotion.
**E.** All of the above.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #115*
*Question Type: Comprehension*
*Self-Test: No*

116. _____ is communicating information between the seller and potential buyer or others in the channel to influence attitudes and behavior.
*(p. 322)*

A. Price
B. Product
**C.** Promotion
D. Place
E. Process

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #116*
*Question Type: Definition*
*Self-Test: No*

117. Personal selling:
*(p. 323)*

A. Is indirect written communication between buyers and sellers.
B. Is indirect spoken communication between buyers and sellers.
C. Is not usually combined with other aspects of promotion in the total marketing mix.
**D.** Gets immediate feedback from consumers.
E. Is one of the least expensive components of the communications program.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #117*
*Question Type: Definition*
*Self-Test: No*

118. Regarding promotion methods, which of the following statements is TRUE?
*(p. 323)*

**A.** Personal selling can provide immediate feedback.
B. Publicity is "free," but usually is ineffective for really new products.
C. Advertising is usually more tailored to the individual needs and attitudes of target customers than personal selling.
D. Sales promotion activities produce results very slowly compared to advertising.
E. All of the above are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #118*
*Question Type: Integrating*
*Self-Test: No*

119. "Personal selling:"
*(p. 323)*

**A.** involves direct spoken communication between sellers and potential customers.
B. costs less than advertising for reaching a large, widespread market.
C. tries to communicate with many customers at the same time.
D. refers to "promoting" at trade shows, demonstrations, and contests.
E. All of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #119*
*Question Type: Comprehension*
*Self-Test: No*

120. Personal selling
*(p. 323)*

**A.** involves direct spoken communication between sellers and potential customers.
B. is communicating with large numbers of potential customers at the same time.
C. is less flexible than mass selling.
D. is included in most marketing mixes as it is inexpensive.
E. involves advertising and publicity.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #120*
*Question Type: Definition*
*Self-Test: No*

121. Compared with other promotion methods, PERSONAL SELLING:
*(p. 323)*

A. is less expensive when the target customers are numerous and widespread.
B. is less effective in overcoming sales resistance.
C. is less flexible in adapting to customers' needs and attitudes.
**D.** provides more immediate feedback.
E. All of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #121*
*Question Type: Self-Test*
*Self-Test: Self-Test*

122. Personal selling is more appropriate than mass selling when:
*(p. 323)*

A. the target market is large and scattered.
B. there are many potential customers and a desire to keep promotion costs low.
C. flexibility is not important.
**D.** immediate feedback is desirable.
E. All of the above are true.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #122*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

123. MASS SELLING, in contrast to personal selling:
*(p. 323)*

A. is less expensive when the target customers are numerous and scattered.
B. doesn't provide immediate feedback.
C. is less flexible in adapting to customers' needs and attitudes.
**D.** All of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #123*
*Question Type: Comprehension*
*Self-Test: No*

124. Which of the following is the main type of "mass selling"?
*(p. 323)*

A. Personal selling.
B. Publicity.
C. Sales promotion.
**D.** Advertising.
E. Both B and D.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #124*
*Question Type: Application*
*Self-Test: No*

125. "Advertising":
*(p. 323)*

A. is the only form of mass selling.
B. is also called "sales promotion."
C. is concerned with "promotion" using samples, coupons, and contests.
D. involves direct spoken communication between sellers and potential customers.
**E.** is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #125*
*Question Type: Definition*
*Self-Test: No*

126. "Advertising":
*(p. 323-324)*

A. is less expensive than personal selling for reaching large and widespread target markets.
B. is any paid form of nonpersonal presentation of ideas, goods, or services by an identified seller.
C. is not the same as publicity.
D. is less flexible than personal selling.
**E.** All of the above are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #126*
*Question Type: Comprehension*
*Self-Test: No*

127. Advertising
*(p. 323-324)*

A. tries to attract attention to the firm and its offerings without having to pay media costs.
B. is any unpaid form of nonpersonal presentation of ideas, goods, or services.
**C.** must be paid for, while another form of mass selling—publicity—is "free."
D. is the main form of personal selling which includes the use of traditional media as well as new media.
E. involves direct spoken communication between sellers and potential customers.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #127*
*Question Type: Definition*
*Self-Test: No*

128. Publicity efforts:
*(p. 324)*

A. Attempt to attract attention to the firm without having to pay media costs.
B. Can be more effective than advertising if a firm has a really new message.
C. Can be risky because the media do not always say or show what the firm intends.
**D.** All of the above.
E. None of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #128*
*Question Type: Comprehension*
*Self-Test: No*

129. "Publicity":
*(p. 324)*

A. is generally less effective than advertising for promoting a really new product.
**B.** is mass selling that avoids paying media costs.
C. is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.
D. is more expensive than all other promotion methods.
E. Both A and B are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #129*
*Question Type: Comprehension*
*Self-Test: No*

130. Identify the true statement pertaining to publicity.
*(p. 324)*

A. It is any paid form of nonpersonal presentation of ideas, goods, or services by a sponsor.
B. It is the main form of mass selling which includes only the use of traditional media.
C. If a firm has a really new message, publicity may be less effective than advertising.
**D.** A major disadvantage is that the media does not always say or show what the firm intends.
E. It tries to attract attention to the firm and its offerings by paying substantial media costs.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #130*
*Question Type: Application*
*Self-Test: No*

131. A car company sent three automobile magazines some technical information and explanations about the features of its innovative new model. One of the magazines later printed a story about the car. This is an example of:
*(p. 324)*

A. personal selling.
B. advertising.
**C.** publicity.
D. sales promotion.
E. None of the above.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #131*
*Question Type: Application*
*Self-Test: No*

132. A computer software company sent three computer magazines some information about the latest release of its popular software program. One of the magazines printed a story about the new version. This is an example of:
*(p. 324)*

A. personal selling.
B. advertising.
**C.** publicity.
D. sales promotion.
E. None of the above.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #132*
*Question Type: Application*
*Self-Test: No*

133. "Sales promotion":
*(p. 325)*

**A.** can complement a firm's personal selling and mass selling efforts.
B. involves direct spoken communication between sellers and potential customers.
C. is any paid form of nonpersonal presentation of goods or services by an identified sponsor.
D. is "free" like publicity.
E. consists of personal selling and mass selling.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #133*
*Question Type: Definition*
*Self-Test: No*

134. "Sales promotion" can be aimed at:
*(p. 325)*

A. intermediaries.
B. a company's own sales force.
C. final consumers or users.
**D.** Any or all of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #134*
*Question Type: Definition*
*Self-Test: No*

135. Sales promotion activities:
*(p. 325)*

**A.** try to stimulate interest, trial, or purchase.
B. always involve direct face-to-face communication between sellers and potential customers.
C. usually take a long time to implement.
D. are usually a good substitute for personal selling and advertising.
E. All of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #135*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

136. Point-of-purchase materials, coupons, trade shows, calendars, merchandising aids, and sales training materials are all examples of:
*(p. 325)*

A. publicity.
B. advertising.
C. mass selling.
**D.** sales promotion.
E. personal selling.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #136*
*Question Type: Self-Test*
*Self-Test: Self-Test*

137. Relative to other promotion methods, _____ can usually be implemented quickly and get results sooner.
*(p. 325)*

A. mass selling
B. advertising
C. publicity
D. personal selling
**E.** sales promotion

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #137*
*Question Type: Definition*
*Self-Test: No*

138. _____ is a promotion activity that tries to spark immediate interest in the consumer.
*(p. 325)*

A. Personal selling
B. Advertising
C. Publicity
**D.** Sales promotion
E. Press release

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #138*
*Question Type: Definition*
*Self-Test: No*

139. Which of the following would NOT be an example of sales promotion?
*(p. 325)*

**A.** A flyer placed on a homeowner's door announcing a new lawn service.
B. A coupon offering a "buy one, get one free" deal at a pizza restaurant.
C. A free sample of a new breakfast cereal mailed to consumers.
D. A special display of snack chips placed in a grocery store's main aisle.
E. A contest in which a fast-food chain distributes "scratch-off" game pieces to promote a new movie.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #139*
*Question Type: Application*
*Self-Test: No*

140. Which of the following is NOT an example of sales promotion?
*(p. 325)*

A. A "10 cents off" coupon promotion.
B. Point-of-purchase displays.
C. Trade show exhibits.
D. Free samples.
**E.** A wholly new kind of ad.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #140*
*Question Type: Application*
*Self-Test: No*

141. Which of the following is NOT an example of sales promotion?
*(p. 325)*

A. a small toy in a "kid's pack" at a Wendy's fast-food restaurant.
**B.** a half-page ad in the telephone Yellow Pages for a security service.
C. an auto bumper sticker that says "Buy American."
D. samples of a new brand of cheese given away at a supermarket.
E. a display of fishing equipment by a sporting goods store in a shopping mall.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #141*
*Question Type: Application*
*Self-Test: No*

142. Which of the following is NOT an example of sales promotion?
*(p. 325)*

**A.** a banner ad on AOL's stock page.
B. a bumper sticker that says, "Drink more milk."
C. samples of a new low-fat snack cracker given away at a supermarket.
D. a display of fishing equipment by a sporting goods store in a shopping mall.
E. a small toy in a kid's "happy meal" at McDonald's.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #142*
*Question Type: Application*
*Self-Test: No*

143. Which of the following is NOT an example of sales promotion?
*(p. 325)*

A. A contest to motivate a company's own sales force.
B. Point-of-purchase displays at the checkout counters of a retail store.
C. Price-off coupons distributed to consumers' homes.
D. A trade show for wholesalers.
**E.** All of the above ARE examples.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #143*
*Question Type: Application*
*Self-Test: No*

144. Point-of-purchase materials is a sales promotion activity aimed at
*(p. 325)*

A. distributors.
B. company's own sales force.
C. intermediaries.
D. retailers.
**E.** final consumers.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #144*
*Question Type: Definition*
*Self-Test: No*

145. Merchandising aids and promotional allowances are sales promotion activities aimed at
*(p. 325)*

A. final consumers.
B. company's own sales force.
**C.** intermediaries.
D. final users.
E. buyers.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #145*
*Question Type: Definition*
*Self-Test: No*

146. Which of the following are sales promotion activities aimed at the company's own sales force?
*(p. 325)*

A. Aisle displays
**B.** Bonuses
C. Point-of-purchase materials
D. Trade shows
E. Frequent buyer programs

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #146*
*Question Type: Application*
*Self-Test: No*

147. Which of the following statements about promotional expenses is true?
*(p. 325)*

A. People correctly think that promotion money gets spent primarily on advertising.
B. The many ads that people see on the Web, in magazines and newspapers, and on TV are impressive and inexpensive.
C. All the special sales promotions add up to less money than advertisements.
D. Firms spend more money on advertising than on sales promotion.
**E.** Firms spend less money on advertising than on personal selling.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #147*
*Question Type: Comprehension*
*Self-Test: No*

148. Which of the following observations concerning promotional methods is false?
*(p. 325)*

A. Each promotion method has its own strengths and weaknesses.
B. Promotion methods should complement each other when used in combination.
C. Each promotion method involves its own distinct activities.
**D.** All promotion methods require a similar type of expertise.
E. None of the above is false.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #148*
*Question Type: Comprehension*
*Self-Test: No*

149. Typically the _____ is responsible for building good distribution channels and implementing "place" policies.
*(p. 326)*

A. public relations manager
**B.** sales manager
C. advertising manager
D. human resources manager
E. recruitment manager

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 2*
*Perreault - Chapter 13 #149*
*Question Type: Comprehension*
*Self-Test: No*

150. Communication with noncustomers, including labor, public interest groups, stockholders, and the government is generally referred to as
*(p. 326)*

**A.** public relations.
B. sales promotion.
C. advertising.
D. branding.
E. publicity.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #150*
*Question Type: Definition*
*Self-Test: No*

151. Developing and selecting the "best" PROMOTION BLEND should be done by a producer's:
*(p. 326)*

A. sales manager.
B. advertising agency.
C. sales promotion manager.
**D.** marketing manager.
E. advertising manager.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #151*
*Question Type: Integrating*
*Self-Test: No*

152. Determining the blend of promotion methods is a strategy decision which is the responsibility of the
*(p. 326)*

A. brand ambassador.
B. finance manager.
C. personnel manager.
**D.** marketing manager.
E. recruitment manager.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 2*
*Perreault - Chapter 13 #152*
*Question Type: Comprehension*
*Self-Test: No*

153. Deciding on the appropriate promotion blend is a job for the firm's:
*(p. 326)*

A. advertising agency.
**B.** marketing manager.
C. advertising manager.
D. sales manager.
E. sales promotion manager.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #153*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

154. Blending the firm's promotion efforts to convey a complete and consistent message is the goal of:
*(p. 326)*

A. Sales management communications.
B. Sales promotion communications.
C. Integrated promotional marketing.
**D.** Integrated marketing communications.
E. Integrated sales promotion.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #154*
*Question Type: Application*
*Self-Test: No*

155. _____ is the intentional coordination of every communication from a firm to a target customer to convey a consistent and complete message.
*(p. 326)*

**A.** Integrated marketing communications
B. Online marketing
C. Branding
D. Digital marketing
E. Product positioning

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 2*
*Perreault - Chapter 13 #155*
*Question Type: Definition*
*Self-Test: No*

156. Which of the following is NOT one of the basic promotion objectives discussed in the text?
*(p. 328)*

A. To inform
B. To remind
**C.** To manipulate
D. To persuade
E. All of the above are promotion objectives.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #156*
*Question Type: Definition*
*Self-Test: No*

157. A retailer's promotion objective might be to _____ its target market about its marketing mix.
*(p. 328)*

A. inform
B. persuade
C. remind
**D.** All of the above.
E. Only A and C above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #157*
*Question Type: Definition*
*Self-Test: No*

158. The various Promotion methods:
*(p. 328)*

A. are all intended to lead to customer decisions favorable to the firm.
B. are all different forms of communication.
C. have a difficult task--since it is not easy to affect buying behavior.
**D.** All of the above are true.
E. None of the above is true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #158*
*Question Type: Comprehension*
*Self-Test: No*

159. What basic promotion objective should be emphasized by a producer introducing a really new product which satisfies customer needs better than any existing product?
*(p. 328)*

A. Persuading
B. Reminding
C. Maximizing
**D.** Informing
E. Communicating

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #159*
*Question Type: Application*
*Self-Test: No*

160. *(p. 328)* What basic promotion objective should be sought by a producer whose Product is very similar to its many competitors' Products?

**A.** Persuading
B. Promoting
C. Communicating
D. Informing
E. Reminding

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #160*
*Question Type: Application*
*Self-Test: No*

161. *(p. 328)* Which basic promotion objective should be emphasized by a firm whose product is very similar to those offered by many competitors?

A. Communicating
**B.** Persuading
C. Reminding
D. Informing
E. Reinforcing

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #161*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

162. *(p. 328)* What basic promotion objective can be sought by a producer who has won brand insistence among its target customers?

A. Persuading
**B.** Reminding
C. Informing
D. Communicating
E. Promoting

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #162*
*Question Type: Application*
*Self-Test: No*

163. If customers already have a positive attitude about a product, which promotional objective would you recommend?
*(p. 328)*

A. Inform.
**B.** Remind.
C. Persuade.
D. Educate.
E. Change position.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #163*
*Question Type: Application*
*Self-Test: No*

164. Clearwater Office Supply sells frequently purchased office supplies to businesses in a metropolitan area. It is a well established company with a large share of the market. Its promotion should probably focus on
*(p. 328)*

**A.** reminding.
B. stimulating primary demand.
C. informing.
D. innovators.
E. making the demand curve less elastic.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 3*
*Perreault - Chapter 13 #164*
*Question Type: Application*
*Self-Test: No*

165. The basic promotion objectives and adoption process fit very neatly with an action-oriented model, which is called the
*(p. 329)*

A. bricks and clicks model.
B. bait and hook model.
**C.** AIDA model.
D. DAGMAR model.
E. economic buyer model.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #165*
*Question Type: Definition*
*Self-Test: No*

166. The AIDA model:
*(p. 329)*

A. focuses on what happens after the adoption process is complete.
B. shows that the promotion effort is done once desire is aroused.
**C.** consists of four basic promotion jobs.
D. suggests that mass media can get consumers' attention only if that is what consumers desire.
E. All of the above are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #166*
*Question Type: Self-Test*
*Self-Test: Self-Test*

167. The AIDA model includes all of the following promotion jobs EXCEPT:
*(p. 329)*

**A.** increasing demand.
B. obtaining action.
C. arousing desire.
D. getting attention.
E. holding interest.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #167*
*Question Type: Definition*
*Self-Test: No*

168. The AIDA model consists of
*(p. 329)*

A. Awareness, Influence, Decoding, and Advertising.
**B.** Attention, Interest, Desire, and Action.
C. Appraisal, Insight, Discernment, and Action.
D. Advertise, Influence, Desire, and Attention.
E. Awareness, Information, Design, and Attention.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #168*
*Question Type: Application*
*Self-Test: No*

169. The AIDA model's four basic promotion jobs are concerned with:
*(p. 329)*

**A.** attention, interest, desire, action.
B. action, interest, desire, acceptance.
C. awareness, interest, demand, action.
D. attention, internalization, decision, action.
E. awareness, interest, decision, acceptance.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 3*
*Perreault - Chapter 13 #169*
*Question Type: Definition*
*Self-Test: No*

170. The AIDA model consists of four promotion jobs:
*(p. 329)*

A. getting Attention, building Intrigue, arousing Desire, and obtaining Action
B. becoming Aware, holding Interest, arousing Desire, and providing Assistance
C. getting Attention, holding Interest, creating Demand, and obtaining Action
**D.** getting Attention, holding Interest, arousing Desire, and obtaining Action
E. becoming Aware, holding Interest, arousing Desire, and obtaining Action

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #170*
*Question Type: Self-Test*
*Self-Test: Self-Test*

171. The basic promotion objective of informing consumers corresponds to which stage(s) of the AIDA model?
*(p. 328-329)*

A. Getting attention.
B. Holding interest.
C. Arousing desire.
D. Obtaining action.
**E.** Both A and B.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 3*
*Perreault - Chapter 13 #171*
*Question Type: Application*
*Self-Test: No*

172. The traditional communication process does NOT include:
*(p. 330)*

**A.** response.
B. receiver.
C. encoding.
D. feedback.
E. source.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #172*
*Question Type: Definition*
*Self-Test: No*

173. Any distraction that reduces the effectiveness of the communication process is called
*(p. 330)*

A. resonance.
B. static.
C. clutter.
D. interference.
**E.** noise.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #173*
*Question Type: Definition*
*Self-Test: No*

174. "Noise" (in the traditional communication process) refers to:
*(p. 330)*

**A.** any distractions that reduce the effectiveness of the communication process.
B. radio advertising interference only.
C. messages which are too loud or bold.
D. efforts by a firm's competitors to block its message channel.
E. the encoded message before it is decoded.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #174*
*Question Type: Definition*
*Self-Test: No*

175. Which of the following best illustrates communication "noise"?
*(p. 330)*

A. A TV ad is recorded at a higher volume than is used for most TV shows.
**B.** A motorist doesn't hear a radio ad because she is being stopped by a police officer for speeding.
C. A political candidate rides through town in a car with a loud speaker--asking pedestrians to vote for her.
D. Magazine sales reps telephone consumers to offer low-price subscriptions.
E. A Pepsi ad that has rap music in the background.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #175*
*Question Type: Self-Test*
*Self-Test: Self-Test*

176. Which of the following best illustrates communication "noise"?
*(p. 330)*

A. Magazine sales reps telephone consumers to offer low-price subscriptions.
B. A TV ad is recorded at a higher volume than is used for most TV shows.
C. A political candidate rides through town in a car with a loud speaker--asking pedestrians to vote for her.
D. All of the above illustrate "noise."
**E.** None of the above clearly illustrates "noise."

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #176*
*Question Type: Application*
*Self-Test: No*

177. *(p. 330)* While watching a television program, Liza gets a phone call just as a commercial is starting. She presses the "mute" button on the television's remote control and takes the call, so she pays no attention to the commercial. In terms of the communication process, the telephone call is an example of:

A. Encoding.
**B.** Noise.
C. Decoding.
D. Feedback.
E. The message channel.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #177*
*Question Type: Application*
*Self-Test: No*

178. *(p. 330)* The source deciding what it wants to say and translating it into words or symbols that will have the same meaning to the receiver is termed as

A. transmutation.
B. exposition.
C. decoding.
**D.** encoding.
E. haptics.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #178*
*Question Type: Definition*
*Self-Test: No*

179. *(p. 330)* Decoding

**A.** is the process of the receiver translating the message.
B. is the process of the source deciding what it wants to say.
C. is the process of the source translating the message into words.
D. is any distraction that reduces the effectiveness of the communication process.
E. is the process of transferring information from the subordinate to the superior.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #179*
*Question Type: Definition*
*Self-Test: No*

180. Identify the traditional communication process.
*(p. 330)*

**A.** Source-Encoding-Message channel-Decoding-Receiver-Feedback.
B. Source-Encoding-Message channel-Receiver-Feedback.
C. Source-Encoding-Message channel-Noise-Receiver-Feedback.
D. Source-Message channel-Decoding-Receiver-Feedback.
E. Source-Noise-Message channel-Receiver-Feedback.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #180*
*Question Type: Comprehension*
*Self-Test: No*

181. Which of the following statements about the communication process is True?
*(p. 329-330)*

A. The source is the sender of the message.
B. The receiver is the potential customer.
C. Encoding is done by the source.
D. The receiver does decoding.
**E.** All of the above.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #181*
*Question Type: Comprehension*
*Self-Test: No*

182. Poor communication is likely if:
*(p. 330)*

A. there is no "noise" in the message channel.
**B.** the source and the receiver do not have a common frame of reference.
C. the encoder and the decoder are not the same person.
D. immediate feedback is not possible.
E. the source and the receiver don't have personal contact.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #182*
*Question Type: Application*
*Self-Test: No*

183. The "communication process" shows that:
*(p. 330)*

**A.** sources and receivers should have a common frame of reference.
B. the receiver is usually not influenced by the nature of the message channel.
C. sources decode messages and receivers encode them.
D. all media appear to be equally effective as message channels.
E. None of the above is true.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #183*
*Question Type: Integrating*
*Self-Test: No*

184. Communication is most difficult to achieve when:
*(p. 330)*

A. the source and the receiver are not in face-to-face contact with each other.
B. immediate feedback is not provided.
C. any trace of "noise" remains in the message channel.
**D.** the source and the receiver do not have a common frame of reference.
E. the encoder does not do the decoding.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #184*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

185. Good marketing managers know that:
*(p. 331)*

A. a major advantage of personal selling is that noise can be eliminated.
B. noise in the communication process improves promotion effectiveness.
C. the trustworthiness of the source does not affect how receivers evaluate a message.
**D.** different audiences may interpret a message differently.
E. All of the above are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 4*
*Perreault - Chapter 13 #185*
*Question Type: Self-Test*
*Self-Test: Self-Test*

186. Producers that advertise in GOOD HOUSEKEEPING magazine sometimes show that they have the Good Housekeeping "seal of approval." This illustrates their recognition of the importance of the _____ in the communication process?
*(p. 331)*

A. feedback
B. noise
C. decoding
D. encoding
**E.** message channel

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #186*
*Question Type: Application*
*Self-Test: No*

187. To communicate a very specific message to a very select, well-identified group of consumers, one probably should use:
*(p. 332)*

A. magazines aimed at special-interest groups.
B. newspapers.
C. television.
**D.** integrated direct-response promotion.
E. radio.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #187*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

188. Integrated direct-response promotion:
*(p. 332)*

A. isn't necessary or useful when the channel of distribution involves intermediaries.
B. is usually part of a pushing effort rather than part of a pulling approach.
**C.** focuses on achieving a measurable, direct response from specific target customers.
D. All of the above are true.
E. None of the above is true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #188*
*Question Type: Comprehension*
*Self-Test: No*

189. Integrated direct-response promotion:
*(p. 332)*

A. got its start in the area of direct-mail advertising.
B. is often part of an integrated marketing communications program.
C. focuses on achieving feedback from a target customer that is immediate and measurable.
**D.** All of the above are true.
E. None of the above is true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #189*
*Question Type: Comprehension*
*Self-Test: No*

190. Integrated direct-response promotion:
*(p. 332)*

A. got its start when the introduction of TV made it possible for firms to use broadcast advertising to reach mass markets.
B. is an alternative to integrated marketing communications, which are used when direct-response is not required.
C. takes many forms, but it always involves the use of mail advertising.
D. all of the above are true.
**E.** none of the above is true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #190*
*Question Type: Comprehension*
*Self-Test: No*

191. Direct marketing communication designed to prompt immediate feedback by customers is also called
*(p. 332)*

A. direct mail advertising.
**B.** direct-response promotion.
C. interactive communication.
D. online marketing.
E. downward communication.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #191*
*Question Type: Definition*
*Self-Test: No*

192. Direct-response promotion may include:
*(p. 332)*

A. interactive video
B. mail
C. website
D. broadcast
**E.** all of the above

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #192*
*Question Type: Definition*
*Self-Test: No*

193. What medium is appropriate for integrated direct-response promotion?
*(p. 332)*

A. telephone
B. interactive video
C. print
D. e-mail
**E.** any of the above might be appropriate

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #193*
*Question Type: Self-Test*
*Self-Test: Self-Test*

194. In addition to snail mail, direct-response promotion may include:
*(p. 332)*

A. broadcast
B. telephone
C. e-mail
D. the Internet
**E.** any of the above

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #194*
*Question Type: Definition*
*Self-Test: No*

195. A pharmaceutical company plans to introduce a new brand of pain reliever targeted at senior citizens. The company purchases a mailing list containing the names and addresses of elderly people who are known to take pain relievers on a regular basis to deal with chronic ailments such as arthritis. The company then sends informational brochures about the new product to the people on the list, along with a coupon they can return to get a free sample. The names of the people who respond are entered into a special database and are sent information about other products. This company is engaged in:
*(p. 332)*

A. Publicity response.
B. Personal selling.
**C.** Direct-response promotion.
D. Decoding response.
E. Noise interference.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #195*
*Question Type: Application*
*Self-Test: No*

196. An integrated direct-response promotion is most likely to be effective if:
*(p. 332)*

A. it is used by a nonprofit organization rather than a firm.
B. other elements of the promotion blend are not integrated.
C. it involves one-way communications between a firm and its target customer.
**D.** it relies on a CRM database to target specific individuals.
E. None of the above is a good answer.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 5*
*Perreault - Chapter 13 #196*
*Question Type: Self-Test*
*Self-Test: Self-Test*

197. Direct-response promotion usually relies on a _____ database to target specific prospects.
*(p. 332)*

**A.** customer relationship management
B. sales force management
C. entity-attribute-value model
D. enterprise relationship management
E. multidimensional preference

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #197*
*Question Type: Application*
*Self-Test: No*

198. Which of the following is not likely to be an ethical concern raised by direct-response methods?
*(p. 332-333)*

A. Harvesting trees to make paper for direct-response junk mail.
B. Getting direct-promotion telephone solicitations at any time.
C. Using a direct-response database that includes personal information.
**D.** Sending out weekly specials via an e-mail newsletter on a request only basis.
E. Coping with the constant flow of spam in e-mail boxes.

*AACSB: 2 Ethical reasoning*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 5*
*Perreault - Chapter 13 #198*
*Question Type: Comprehension*
*Self-Test: No*

199. Which of the following statements about communication processes is(are) true?
*(p. 333-335)*

A. Targeting is important in traditional and customer-initiated interactive communication.
B. The seller starts the communication in the traditional communication process.
C. Noise can distract the process in traditional and customer-initiated interactive communication.
D. The buyer starts the communication in the customer-initiated interactive communication process.
**E.** All of the above are true.

*AACSB: 1 Communication abilities; 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 6*
*Perreault - Chapter 13 #199*
*Question Type: Comprehension*
*Self-Test: No*

200. In the customer-initiated interactive communication process:
*(p. 334)*

A. the message channel is no longer a factor.
B. noise is no longer a factor.
C. messages typically must be very short and simple.
**D.** the buyer starts the process.
E. none of the above is true.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 6*
*Perreault - Chapter 13 #200*
*Question Type: Comprehension*
*Self-Test: No*

201. In customer-initiated interactive communication:
*(p. 334)*

A. the message channel has no impact.
B. noise is no longer a factor.
C. the source initiates the communication.
**D.** interactive technology plays a big role.
E. action is less immediate.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 6*
*Perreault - Chapter 13 #201*
*Question Type: Comprehension*
*Self-Test: No*

202. In the customer-initiated communication process:
*(p. 334)*

A. the marketer targets more of its promotion effort at specific individuals who respond directly.
B. a firm relies on a CRM database to target specific prospects.
**C.** a customer initiates the communication process with a decision to search for information in a particular message channel.
D. a seller initiates the communication process with a decision to search for information in a particular message channel.
E. there is a transfer of information from higher-level management to production workers.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 6*
*Perreault - Chapter 13 #202*
*Question Type: Comprehension*
*Self-Test: No*

203. Which of the following statements about the target of promotion and promotion blends is true?
*(p. 336-337)*

A. Each unique market segment may need a different promotion blend.
B. Promotion to intermediaries emphasizes personal selling.
C. Promotion to employees involves pushing.
D. Promotion to final consumers is usually a combination of pushing and pulling.
**E.** All of the above are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #203*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

204. When developing a good promotion blend, a marketing manager should:
*(p. 336)*

A. be more concerned with persuading the target customers than informing or reminding.
**B.** determine who the firm is trying to influence.
C. realize that the right blend depends more on what customers expect than on what the firm wants to accomplish.
D. All of the above are true.
E. None of the above is true.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #204*
*Question Type: Comprehension*
*Self-Test: No*

205. _____ means using normal promotion effort to help sell the whole marketing mix to possible channel members.
*(p. 336)*

**A.** Pushing
B. Pulling
C. Encoding
D. Decoding
E. Controlling

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #205*
*Question Type: Definition*
*Self-Test: No*

206. This promotional approach emphasizes the importance of securing the wholehearted cooperation of channel members to promote the product in the channel and to the final user.
*(p. 336)*

A. Pulling
**B.** Pushing
C. Encoding
D. Decoding
E. Franchising

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #206*
*Question Type: Application*
*Self-Test: No*

207. A producer using normal promotion efforts--personal selling, sales promotion, and advertising--to help sell a whole marketing mix to possible channel members has:
*(p. 336)*

A. a selective distribution policy.
B. a target marketing policy.
C. an intensive distribution policy.
**D.** a pushing policy.
E. a pulling policy.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #207*
*Question Type: Definition*
*Self-Test: No*

208. Nantucket Hammocks, Inc. uses dealer incentives, discounts, and sales contests in order to encourage retailers to give special attention to selling its products. Nantucket Hammocks is using
*(p. 336)*

A. exclusive distribution.
B. a corporate channel system.
C. dual distribution.
D. an administered channel system.
**E.** pushing.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #208*
*Question Type: Application*
*Self-Test: No*

209. *(p. 336-337)* American Tourister, Inc.--a producer of luggage--is planning to introduce a new product line. The marketing manager is having her sales force call on retailers to explain American Tourister's consumer advertising plans, the unique features of the new luggage, how the distributors can best promote it, and what sales volume and profit margins they can reasonably expect. This is an example of:

A. a "pulling" policy.
B. intensive distribution.
C. selective distribution.
**D.** a "pushing" policy.
E. exclusive distribution.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #209*
*Question Type: Self-Test*
*Self-Test: Self-Test*

210. *(p. 336-337)* The Canyonlands Corporation is introducing a new product next month. To prepare for the introduction, the marketing manager is having his sales force call on distributors to explain the unique features of the new product, how the distributors can best promote it, and what sales volume and profit margins they can reasonably expect. In addition, Canyonlands is budgeting 2 percent of its estimated sales for magazine advertising. This is an example of:

A. selective distribution.
B. a "pulling" policy.
C. exclusive distribution.
**D.** a "pushing" policy.
E. intensive distribution.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #210*
*Question Type: Application*
*Self-Test: No*

211. *(p. 336-337)* ValCorp will soon introduce a new product, so the marketing manager is having the sales force call on distributors to explain its unique features and how the distributors can best promote it. This illustrates

A. integrated marketing communications.
B. a "pulling" policy.
C. direct response promotion.
**D.** a "pushing" policy.
E. noise in the communication process.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #211*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

212. *(p. 336-337)* A producer of household batteries for flashlights, radios, and other small electronic devices wants to increase its sales relative to its competitors. The company enters into an arrangement with a supplier of bicycles to develop an incentive for retail buyers to order more batteries. Salespeople for the battery company tell each buyer that for every 20 cases of batteries ordered, the buyer will get a new bicycle. The buyer can keep the bicycle, or use it as part of an in-store contest promotion. The battery company's promotion effort aimed at retail buyers is:

**A.** Pushing in the channel.
B. Pulling by customers.
C. Integrated marketing communications.
D. Buyer-initiated communication.
E. None of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #212*
*Question Type: Application*
*Self-Test: No*

213. *(p. 337)* Identify the false statement regarding promotion to intermediaries.

A. When suppliers offer similar products and compete for attention and shelf space, intermediaries usually pay attention to the one with the best profit potential.
**B.** Sales managers handle most of the important communication with intermediaries who do not want empty promises.
C. Sales promotions targeted at intermediaries usually focus on short-term arrangements that will improve the intermediary's profits.
D. Trade ads usually encourage intermediaries to contact the supplier for more information, and then a salesperson takes over.
E. During sales promotion, intermediaries want to know what they can expect in return for their cooperation.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #213*
*Question Type: Comprehension*
*Self-Test: No*

214. *(p. 336-337)* Which of the following is NOT true about the relation between promotion blends and the promotion target?

A. Pushing in the channel means using normal promotion to intermediaries.
B. Service-oriented companies often try to design ads targeted at customers that also communicate to their own employees.
C. Promotion to intermediaries emphasizes personal selling.
D. Pushing within the firm involves promotion to employees, especially salespeople.
**E.** All of the above are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #214*
*Question Type: Comprehension*
*Self-Test: No*

215. When firms promote products to their own employees as part of an internal marketing effort, they are using a
*(p. 337)*

A. digital marketing approach.
B. pulling approach.
C. personal selling approach.
D. telemarketing approach.
**E.** pushing approach.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #215*
*Question Type: Application*
*Self-Test: No*

216. A firm's annual sales meeting
*(p. 337)*

A. is a type of external marketing effort.
B. is basically a variation on the pulling approach.
**C.** is a type of internal marketing effort which is a variation on the pushing approach.
D. is a method of promotion implemented where the employees' effort is an expendable part of the product.
E. is a type of internal marketing effort which is a combination of both the pushing and pulling approach.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #216*
*Question Type: Definition*
*Self-Test: No*

217. A producer using very aggressive promotion to get final consumers to ask intermediaries for a new product has:
*(p. 337)*

**A.** a pulling policy.
B. a target marketing policy.
C. a selective distribution policy.
D. a pushing policy.
E. an intensive distribution policy.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #217*
*Question Type: Definition*
*Self-Test: No*

218. _____ means getting customers to ask intermediaries for the product.
*(p. 337)*

**A.** Pulling
B. Pushing
C. Branding
D. Underwriting
E. Forecasting

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #218*
*Question Type: Definition*
*Self-Test: No*

219. A producer might use a "pulling policy" rather than a "pushing policy" if:
*(p. 337)*

**A.** intermediaries are reluctant to handle a new product.
B. it is offering a very "high-tech" product to a small product-market.
C. its sales force has been very successful getting wholesalers and retailers to handle its product.
D. it has a very limited promotion budget.
E. All of the above.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #219*
*Question Type: Comprehension*
*Self-Test: No*

220. Clairol Corp. is introducing a new brand of shampoo in a highly competitive market. Wholesalers might be willing to handle the new product, except that retailers are already complaining about overcrowded shelf space. Therefore, Clairol has decided to spend $10 million on TV advertising and send free samples to 3,000,000 households to convince consumers of the new product's superiority--and to get them to ask for it at their retail store. Clairol is using:
*(p. 337-338)*

A. dual distribution.
**B.** a "pulling" policy.
C. direct marketing.
D. a "pushing" policy.
E. a sampling distribution.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #220*
*Question Type: Application*
*Self-Test: No*

221. *(p. 337-338)* A producer of disposable diapers is planning to introduce a new brand of diapers that is specially designed for large babies who are hard to fit with regular diapers. The company mails coupons for the new brand to all the consumers in its database of disposable diaper users. The coupons offer consumers a $2 discount off the regular price of a pack of diapers. The company sends an accompanying letter advising consumers to bring the coupons to their favorite store and use them. If the brand is not in stock, the letter encourages consumers to ask the store manager to stock the new brand. This promotion effort by the company is an example of:

A. Pushing in the channel.
**B.** Pulling by customers.
C. Integrated marketing communications.
D. Buyer-initiated communication.
E. None of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #221*
*Question Type: Application*
*Self-Test: No*

222. *(p. 338)* In promotion to final consumers:

A. advertising and sales promotion are the dominant promotion methods.
B. aggressive personal selling is usually found only in expensive channel systems.
C. reminder ads may be all the promotion that is needed for products that have won brand preference or insistence.
D. personal selling is effective for consumer electronics and automobiles.
**E.** all of the above.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #222*
*Question Type: Comprehension*
*Self-Test: No*

223. *(p. 338)* Producers and wholesalers that target business customers typically emphasize

A. publicity.
B. mass selling.
**C.** personal selling.
D. advertising.
E. sales promotions.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #223*
*Question Type: Application*
*Self-Test: No*

224. Wholesalers spend the largest share of their promotion money on:
*(p. 338)*

**A.** personal selling.
B. direct-mail advertising.
C. advertising.
D. sales promotion.
E. publicity.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #224*
*Question Type: Definition*
*Self-Test: No*

225. Personal selling is MOST LIKELY to dominate a producer's promotion blend when the target customers are:
*(p. 338)*

**A.** organizational and business buyers
B. young married couples
C. teenagers
D. working wives
E. senior citizens

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 7*
*Perreault - Chapter 13 #225*
*Question Type: Application*
*Self-Test: No*

226. In promotion to business customers, personal selling is often the dominant promotion method because:
*(p. 338)*

A. there are fewer business customers than final consumers.
B. the sales message may need to be adjusted to the needs of different people in the firm.
C. purchases are typically large and thus justify the effort.
D. buyers are more likely to have technical questions.
**E.** all of the above.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #226*
*Question Type: Comprehension*
*Self-Test: No*

227. In promotion to intermediaries:
*(p. 338-339)*

A. personal selling is the dominant promotion method.
B. trade ads are used to inform intermediaries about new offerings.
C. promotion must be both informative and persuasive.
D. sales promotions are used to boost the intermediary's profits on a short-term basis.
**E.** all of the above.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #227*
*Question Type: Comprehension*
*Self-Test: No*

228. The "adoption curve" shows:
*(p. 339)*

**A.** when different groups accept ideas.
B. how quickly a firm should drop current products.
C. the relationship between promotion spending and sales.
D. when a firm should introduce a new product.
E. All of the above.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #228*
*Question Type: Definition*
*Self-Test: No*

229. The adoption curve concept is most closely related to which of the following?
*(p. 339)*

A. "noise" in the communication process
B. sales promotion aimed at a company's own sales force
**C.** the product life cycle
D. selective demand
E. the AIDA model

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #229*
*Question Type: Comprehension*
*Self-Test: No*

230. The "adoption curve" shows that:
*(p. 339)*

A. most new products are introduced too slowly.
B. the marketing plan for a new product should schedule most of the promotion spending right when the product is first introduced.
**C.** some groups accept a new idea before others.
D. a firm should stick to the same promotion effort as time passes.
E. All of the above.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #230*
*Question Type: Comprehension*
*Self-Test: No*

231. The adoption curve
*(p. 339)*

A. emphasizes the importance of securing the wholehearted cooperation of channel members to promote the product in the channel and to the final user.
**B.** emphasizes the relations among groups and shows that individuals in some groups act as leaders in accepting a new idea.
C. is any distraction that reduces the effectiveness of the communication process.
D. is the intentional coordination of every communication from a firm to a target customer to convey a consistent and complete message.
E. puts more emphasis on technology and less on relationships.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #231*
*Question Type: Comprehension*
*Self-Test: No*

232. Which of the following shows the correct sequence of market acceptance of a new idea, as represented in the adoption curve?
*(p. 339)*

A. Early adopters, innovators, laggards, early majority, late majority.
B. Early majority, late majority, early adopters, innovators, laggards.
C. Early adopters, early majority, late majority, innovators, laggards.
D. Innovators, early majority, late majority, early adopter, laggards.
**E.** Innovators, early adopters, early majority, late majority, laggards.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #232*
*Question Type: Comprehension*
*Self-Test: No*

233. Which of the following groups is likely to be the first to adopt a new product?
*(p. 339)*

A. early majority
**B.** innovators
C. late majority
D. early adopters
E. laggards

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #233*
*Question Type: Comprehension*
*Self-Test: No*

234. A retailer's target customers are young, well educated, and mobile--with many contacts outside their local social group and community. They are eager to try new ideas and are willing to take risks. These target customers are:
*(p. 339-340)*

**A.** innovators.
B. laggards.
C. early adopters.
D. the late majority.
E. the early majority.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #234*
*Question Type: Application*
*Self-Test: No*

235. The innovators are the group of customers who
*(p. 340)*

A. have fewer contacts outside their own social group or community.
B. tend to have the greatest contact with salespeople.
C. tend to avoid risk and wait to consider a new idea after many early adopters have tried it—and liked it.
D. tend to be older, less well educated, and cling to the status quo thinking it is the safest way.
**E.** are likely to be mobile and have many contacts outside their local social group and community.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #235*
*Question Type: Definition*
*Self-Test: No*

236. The best way to reach INNOVATORS is through:
*(p. 340)*

A. the mass media.
B. salespeople.
C. local opinion leaders.
**D.** impersonal and scientific information sources.
E. salespeople and the mass media.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #236*
*Question Type: Definition*
*Self-Test: No*

237. Which of the following statements about innovators is not true?
*(p. 339-340)*

A. Innovators tend to rely on impersonal and scientific information sources, or other innovators, rather than salespeople.
B. Innovators often search for information on the Internet, read articles in technical publications, or look for informative ads in special interest magazines.
C. Innovators tend to be young and well educated and are eager to try a new idea.
**D.** Innovators need strong social pressure from their own peer group before they adopt a new product.
E. Innovators are also constituted by specialized business firms who are willing to take the risk of doing something new.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #237*
*Question Type: Comprehension*
*Self-Test: No*

238. Which of the following adopter groups is described correctly?
*(p. 339)*

A. Laggards--respectable
**B.** Innovators--willing to take risks
C. The late majority--follow the innovators
D. The early majority--opinion leaders
E. Early adopters--traditional

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #238*
*Question Type: Integrating*
*Self-Test: No*

239. When marketing a truly new product, a marketing manager should:
*(p. 339-341)*

A. use an informing promotion objective.
B. target communication towards innovators and early adopters.
C. attempt to obtain publicity.
**D.** All of the above are true.
E. None of the above is true.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #239*
*Question Type: Comprehension*
*Self-Test: No*

240. Early adopters, compared to innovators:
*(p. 340)*

A. Adopt a new idea earlier.
**B.** Tend to have greater contact with salespeople.
C. Rely more heavily on scientific or impersonal information sources.
D. Are more willing to take risks.
E. Are infrequently opinion leaders.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #240*
*Question Type: Definition*
*Self-Test: No*

241. Early adopters
*(p. 340)*

A. tend to rely on information sources that are not controlled by marketers.
**B.** tend to be opinion leaders.
C. are the first adoption curve group to buy a product.
D. all of the above.
E. none of the above.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #241*
*Question Type: Definition*
*Self-Test: No*

242. The best way to reach EARLY adopters is through:
*(p. 340)*

A. impersonal and scientific information media.
**B.** salespeople and mass media.
C. innovators.
D. the mass media.
E. opinion leaders.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #242*
*Question Type: Definition*
*Self-Test: No*

243. A research report shows that a magazine's readers are well respected by their peers and high in opinion leadership. They tend to be younger, more mobile, and more creative than later adopters. But they have fewer contacts outside their own social group or community than innovators. A firm might advertise to the readers of this magazine if it is targeting:
*(p. 340)*

A. laggards.
B. innovators.
C. the early majority.
**D.** early adopters.
E. the late majority.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #243*
*Question Type: Application*
*Self-Test: No*

244. The _____ can help the promotion effort by spreading word-of-mouth information and advice among other consumers.
*(p. 340)*

A. innovators
B. late majority customer group
C. laggards
**D.** early adopters
E. nonadopters

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #244*
*Question Type: Application*
*Self-Test: No*

245. Which of the following adopter groups is most important to "sell"--given the importance of opinion leaders?
*(p. 340)*

A. Late majority
B. Early majority
C. Laggards
D. Innovators
**E.** Early adopters

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #245*
*Question Type: Application*
*Self-Test: No*

246. Early adopters
*(p. 340)*

**A.** can help the promotion effort by spreading word-of-mouth information and advice among other consumers.
B. tend to rely on impersonal and scientific information sources, or other innovators, rather than salespeople.
C. avoid risk and wait to consider a new idea after laggards have tried it—and liked it.
D. make little use of marketing sources of information—mass media and salespeople.
E. tend to look to the early majority group for advice.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #246*
*Question Type: Comprehension*
*Self-Test: No*

247. Regarding opinion leadership, which of the following statements is TRUE?
*(p. 340-341)*

A. Opinion leaders are easy to identify because people seek them out for advice on all kinds of topics.
B. It is very important to reach the innovators--because this adopter group is the highest in opinion leadership.
C. "Word of mouth" always does the real selling job--so Promotion is not necessary.
D. All of the above are true.
**E.** None of the above is true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Hard*
*LearnObj: 8*
*Perreault - Chapter 13 #247*
*Question Type: Integrating*
*Self-Test: No*

248. Which of the following is NOT true concerning adoption curve groups?
*(p. 340)*

A. The early adopter group tends to have the greatest contact with salespeople.
**B.** Early adopters are often unusual people who are not seen as opinion leaders.
C. Innovators rely more on impersonal sources of information than on salespeople.
D. Business firms in the innovator group are usually large and rather specialized.
E. The early majority group have a lot of contact with mass media, salespeople, and opinion leaders.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #248*
*Question Type: Comprehension*
*Self-Test: No*

249. The EARLY MAJORITY have a lot of contact with:
*(p. 342)*

A. innovators.
B. the mass media only.
**C.** the mass media, salespeople, and early adopter opinion leaders.
D. impersonal and scientific information sources.
E. salespeople only.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #249*
*Question Type: Definition*
*Self-Test: No*

250. The early majority group
*(p. 342)*

A. tends to have the greatest contact with salespeople.
B. tends to cling to the status quo and think it's the safe way.
C. prefers to do things the way they have been done in the past and are very suspicious of new ideas.
**D.** tends to avoid risk and waits to consider a new idea after many early adopters have tried it—and liked it.
E. can help the promotion effort by spreading word-of-mouth information and advice among other consumers.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #250*
*Question Type: Definition*
*Self-Test: No*

251. A retailer's target market consists of people who usually will not consider a new idea until others have tried it--and liked it. These potential customers have a lot of contact with mass media and salespeople, but usually are not opinion leaders. These target customers are:
*(p. 342)*

A. early adopters.
B. laggards.
C. innovators.
**D.** the early majority.
E. the late majority.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #251*
*Question Type: Application*
*Self-Test: No*

252. Regarding adopter groups, which of the following statements is TRUE?
*(p. 342)*

A. Innovators rely on the mass media and salespeople.
**B.** The early majority usually aren't opinion leaders.
C. Laggards rely primarily on opinion leaders.
D. Early adopters make little use of salespeople.
E. The late majority make the most use of salespeople.

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #252*
*Question Type: Integrating*
*Self-Test: No*

253. The LATE MAJORITY:
*(p. 342)*

A. make a lot of use of mass media.
**B.** respond more to social pressure from other late adopters than to salespeople.
C. make a lot of use of salespeople.
D. use salespeople and have much contact with the early majority.
E. have a lot of contact with early adopters.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #253*
*Question Type: Definition*
*Self-Test: No*

254. Business firms in the late majority group
*(p. 342)*

A. are willing to take the risk of doing something new.
B. tend to be older and less well educated.
C. are the smallest businesses with the least specialization.
D. tend to be highly specialized.
**E.** tend to be conservative, smaller-sized firms with little specialization.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #254*
*Question Type: Comprehension*
*Self-Test: No*

255. Regarding adoption curve groups, which of the following is TRUE?
*(p. 342)*

A. By the time the early majority buy a product it is usually in the market maturity stage of the product life cycle.
B. The early adopters have many contacts outside their own social group, and are important in spreading information to laggards.
**C.** Business firms in the late majority group tend to be conservative, smaller-sized firms with little specialization.
D. The laggard group may be slow to adopt, but it is so large that it is very important to reach them.
E. None of the above is true.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #255*
*Question Type: Comprehension*
*Self-Test: No*

256. A retailer's target customers are skeptical and cautious about new ideas. Strong social pressure from their own peer group may be needed before they adopt a new product. These target customers are:
*(p. 342)*

A. the early majority.
B. laggards.
C. innovators.
D. early adopters.
**E.** the late majority.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #256*
*Question Type: Application*
*Self-Test: No*

257. Lauren Diaz is strongly influenced by her peer group--and she often adopts a new product only after they have pressured her to try it. She makes little use of mass media and salespeople as sources of information. In terms of the adoption curve, she is
*(p. 342)*

A. a laggard
**B.** a late majority
C. an early adopter
D. an innovator
E. an early majority

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #257*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

258. *(p. 342)* Jeanne Bowman is an active, healthy, 80-year-old widow and mother of five grown children who range in age from 42 to 60 years old. She is well-informed and very conservative in her social and political views. Like many people in her age group, she is cautious when it comes to high-technology products, but in the last three years, she has purchased a cellular phone and learned to use e-mail, mainly due to the urging of her children and friends. She has just decided to purchase a DVD player because she watched a DVD movie at her daughter's home and really liked the quality of the picture. As was the case with her other high-tech purchases, a family member will accompany her when she buys the DVD player. Regarding Jeanne's adoption of DVD technology, she seems to be in the _____ group.

A. Innovator.
B. Early adopter.
C. Early majority.
**D.** Late majority.
E. Laggard.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #258*
*Question Type: Application*
*Self-Test: No*

259. *(p. 342)* Regarding the adoption curve, marketers may determine that there is little to be gained from trying to inform or influence the:

A. Innovators.
B. Early adopters.
C. Early majority.
D. Late majority.
**E.** Laggards.

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #259*
*Question Type: Application*
*Self-Test: No*

260. *(p. 342)* LAGGARDS or NON-ADOPTERS:

A. are usually the smallest businesses with the least specialization.
B. tend to be older and less well educated.
C. rely mainly on other laggards for information.
D. are suspicious of new ideas.
**E.** All of the above.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #260*
*Question Type: Comprehension*
*Self-Test: No*

261. _____ prefer to do things the way they have been done in the past and are very suspicious of new ideas.
*(p. 342)*

A. Innovators
B. Early adopters
**C.** Laggards or nonadopters
D. Late majority customer group
E. Opinion leaders

*AACSB: 11 Analysis for decisions*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #261*
*Question Type: Application*
*Self-Test: No*

262. A marketing manager should realize that the adoption curve concept implies
*(p. 339,342)*

A. that the firm's promotion target should be the innovators.
B. that the laggards are cautious, but that they are willing to adopt a new product quickly if advertising gets their attention.
**C.** using different promotional mixes for different adopter groups.
D. All of the above are true.
E. None of the above is true.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #262*
*Question Type: Comprehension*
*Self-Test: No*

263. Selecting an effective promotion blend to reach a firm's promotion objectives requires careful consideration of the:
*(p. 342-344)*

A. nature of competition.
B. promotion budget available.
C. product life cycle stage.
**D.** All of the above.
E. Only A and B.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8,9*
*Perreault - Chapter 13 #263*
*Question Type: Definition*
*Self-Test: No*

264. During the market introduction stage of the product life cycle, the basic objective of promotion is usually to:
*(p. 342)*

A. spend more money on promotion than competitors.
B. remind customers about the firm and its products.
**C.** inform potential customers of the product.
D. stimulate selective demand.
E. persuade the early majority to buy the product.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #264*
*Question Type: LearnAid*
*Self-Test: Self-Test & Learn Aid*

265. A producer is likely to focus its promotion effort on stimulating primary demand at what stage in the product life cycle?
*(p. 342)*

**A.** Market introduction.
B. Market growth.
C. Market maturity.
D. Sales decline.
E. When selective demand is over.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #265*
*Question Type: Comprehension*
*Self-Test: No*

266. In the market introduction stage
*(p. 342)*

A. the main job is to persuade customers to buy, and keep buying, the company's product.
**B.** the basic promotion objective is informing.
C. more competitors enter the market.
D. promotion emphasis shifts from building primary demand to stimulating selective demand.
E. mass selling and sales promotion dominate the promotion blends of consumer products firms.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #266*
*Question Type: Comprehension*
*Self-Test: No*

267. Primary demand is
*(p. 342)*

**A.** the demand for the general product idea.
B. just the demand for the company's own brand.
C. the main form of mass selling.
D. any unpaid form of nonpersonal presentation of ideas, goods, or services.
E. any paid form of nonpersonal presentation of ideas, or services by an identified sponsor.

*AACSB: 13 Economic environments*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #267*
*Question Type: Definition*
*Self-Test: No*

268. During the market growth stage of the product life cycle, a producer would focus promotional efforts on creating _____ demand for its own brand.
*(p. 343)*

A. Competitive
B. Customer
**C.** Selective
D. Discerning
E. Persuasive

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #268*
*Question Type: Application*
*Self-Test: No*

269. A producer is likely to focus its promotion effort on stimulating selective demand at what stage in the product life cycle?
*(p. 343)*

A. Market introduction.
**B.** Market growth.
C. Market maturity.
D. Sales decline.
E. When primary demand is exhausted.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #269*
*Question Type: Comprehension*
*Self-Test: No*

270. Regarding PRODUCT LIFE CYCLES and PROMOTION:
*(p. 343)*

A. During market introduction, the basic promotion objective is to remind.
B. In sales decline, the amount spent on promotion usually increases as firms use reminder promotion to increase demand.
**C.** Persuading becomes important in the market growth stage.
D. In market maturity, more competitors enter the market and the promotion emphasis must now shift to building selective demand for the firm's own brand.
E. All of the above are true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #270*
*Question Type: Comprehension*
*Self-Test: No*

271. All of the following are true of the market growth stage except
*(p. 343)*

A. the main job is to persuade customers to buy, and keep buying, the company's product.
**B.** the promotion must build primary demand and not just for the company's own brand.
C. more competitors enter the market and mass selling becomes more economical.
D. the promotion emphasis shifts to stimulating selective demand.
E. salespeople and personal selling work towards expanding the number of outlets and cementing relationships with channel members.

*AACSB: 13 Economic environments*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #271*
*Question Type: Comprehension*
*Self-Test: No*

272. A firm with a product in the maturity stage of the product life cycle is likely to focus on which basic promotion objective?
*(p. 343)*

A. pioneering
B. publicizing
C. informing
D. lagging
**E.** persuading

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Hard*
*LearnObj: 8*
*Perreault - Chapter 13 #272*
*Question Type: Comprehension*
*Self-Test: No*

273. In the promotion blend during the market maturity stage of the product life cycle:
*(p. 343)*

A. The total amount spent on promotion usually decreases.
**B.** The total amount spent on promotion may rise as competition increases.
C. The basic promotion objective is informing.
D. The promotion emphasis starts to shift from building primary demand to building selective demand.
E. None of the above.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 8*
*Perreault - Chapter 13 #273*
*Question Type: Comprehension*
*Self-Test: No*

274. In the market maturity stage
*(p. 343)*

A. sales promotion may be targeted at channel members to get them interested in selling the new product.
B. mass selling becomes more economical.
C. business products require less aggressive personal selling.
**D.** mass selling and sales promotion may dominate the promotion blends of consumer products firms.
E. the main job is to persuade customers to buy, and keep buying, the company's product.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #274*
*Question Type: Definition*
*Self-Test: No*

275. Regarding promotion blends, which of the following statements is TRUE?
*(p. 344)*

A. Consumer products producers should rely almost completely on personal selling in the market maturity stage.
B. Reminding becomes important in the market introduction stage.
**C.** More targeted promotion is needed during the sales decline stage of the product life cycle.
D. Informing becomes important in the market growth stage.
E. None of the above is true.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Hard*
*LearnObj: 8*
*Perreault - Chapter 13 #275*
*Question Type: Integrating*
*Self-Test: No*

276. During the sales decline stage
*(p. 344)*

**A.** the total amount spent on promotion usually decreases as firms try to cut costs to remain profitable.
B. firms do not need targeted promotion to reach customers.
C. personal selling will probably dominate the promotion blends of consumer products firms.
D. promotion emphasis shifts from stimulating selective demand to building primary demand.
E. sales promotion is primarily targeted at intermediaries to get them interested in selling the product.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #276*
*Question Type: Definition*
*Self-Test: No*

277. Regarding PROMOTION BUDGETS and PROMOTION BLENDS:
*(p. 344)*

A. A national TV ad might cost less per person reached than a local TV ad.
B. The total cost of mass media may force small firms to use promotion alternatives that are more expensive per person.
C. A city-wide newspaper ad might cost less per person reached than a neighborhood newspaper ad.
D. There are some economies of scale in promotion.
**E.** All of the above are true.

*AACSB: 6. Reflective thinking*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 9*
*Perreault - Chapter 13 #277*
*Question Type: Comprehension*
*Self-Test: No*

278. The MOST COMMON method of setting the marketing budget is to
*(p. 344)*

A. let internal politics decide.
B. estimate what competitors are spending.
C. determine the cost of the tasks to be accomplished.
D. use all uncommitted revenue.
**E.** use some predetermined percentage of past or forecast sales.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 9*
*Perreault - Chapter 13 #278*
*Question Type: Comprehension*
*Self-Test: No*

279. The most COMMON method of budgeting for marketing expenses is to:
*(p. 344)*

A. match competitors' spending.
B. allocate any funds not already allocated to other functions.
C. allocate enough to completely eliminate the cost of lost customers.
D. allocate for the job that needs to be done.
**E.** allow a percentage of either past or forecasted sales.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 9*
*Perreault - Chapter 13 #279*
*Question Type: Comprehension*
*Self-Test: No*

280. Budgeting for promotion expenditures by computing a percentage of past or expected sales:
*(p. 344)*

**A.** is the most common method of setting the promotion budget.
B. is a complex method of budgeting.
C. will increase promotional expenditures when business is poor.
D. all of the above.
E. none of the above.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 9*
*Perreault - Chapter 13 #280*
*Question Type: Definition*
*Self-Test: No*

281. Budgeting for marketing expenses by computing a percentage of forecasted sales:
*(p. 344)*

A. is especially suitable for new products.
B. always results in increased expenditure levels from year to year.
C. is very complicated--and thus this method is not used very often.
**D.** may lead to a drop in marketing expenses at a time when the firm wants to maintain or expand sales.
E. tends to result in large changes in marketing expenses from year to year.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 9*
*Perreault - Chapter 13 #281*
*Question Type: Comprehension*
*Self-Test: No*

282. According to the text, the most sensible method for budgeting for promotion expenses is to:
*(p. 344)*

A. allocate some fixed percentage of net sales.
B. allocate all available funds.
C. allocate money for direct-response promotion first and then use money that's left for integrated marketing communications.
D. match expenditures with competitors.
**E.** use the "task method."

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 9*
*Perreault - Chapter 13 #282*
*Question Type: Comprehension*
*Self-Test: No*

283. According to the text discussion on setting a marketing budget,
*(p. 344)*

A. the most objective approach is to use Pareto approaches.
B. the only practical alternative is to match what competitors are spending.
**C.** the most sensible approach is to determine the cost of the tasks to be accomplished.
D. the task method is likely to result in too low a budget when sales are going well.
E. it is generally best to simply use some predetermined percentage of past or forecast sales.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 9*
*Perreault - Chapter 13 #283*
*Question Type: Comprehension*
*Self-Test: No*

284. The task method for budgeting marketing expenses:
*(p. 344)*

A. means that a company budgets roughly what competitors budget for each item.
B. budgets last year's marketing expense ratio times FORECASTED sales.
**C.** might result in very different marketing expenses from year to year.
D. is the most commonly used method of setting budgets.
E. None of the above is true.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 9*
*Perreault - Chapter 13 #284*
*Question Type: Comprehension*
*Self-Test: No*

285. The task method of budgeting for promotion expenditures:
*(p. 344)*

A. Links the budget to the promotion objectives set by the company.
B. Involves determining the promotion methods that will effectively achieve the communication tasks required.
C. Can help to eliminate budget fights between managers responsible for different promotion methods.
D. May result in significantly different promotional expenditures from year to year.
**E.** All of the above.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 9*
*Perreault - Chapter 13 #285*
*Question Type: Comprehension*
*Self-Test: No*

286. In this method of budgeting, the spending level might be based on the number of new customers desired and the percentage of current customers that the firm must retain to leverage investments in already established relationships.
*(p. 344)*

**A.** Basing the budget on the job to be done.
B. Basing the budget on any uncommitted revenue.
C. Setting the budget as a certain number of cents or dollars per sales unit.
D. Matching expenditures with competitors.
E. Setting the budget based as a certain number of dollars per person.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 9*
*Perreault - Chapter 13 #286*
*Question Type: Comprehension*
*Self-Test: No*

**Use this information for questions that refer to the Yummy Ice Cream case.**

Kelly Stich, marketing manager for Yummy Ice Cream Products, is thinking about some of her products and her promotion plans for the coming year.

Yummy Ice Cream Products is introducing a new ice cream treat called *PlanetSavers*. This treat uses ice cream produced with environmentally friendly processes that save energy and protect the ozone. Yummy plans to send articles to magazines, local newspapers, and environmental groups that explain the environmentally safer treat. The product also has a unique texture and different flavor.

Stich wants to use counter cards and in-store signs to let people know about Cherry Walrus, the company's new flavor. She is also developing sales training materials that will teach ice cream scoopers in Yummy's ice cream stores to promote the product. Right after Cherry Walrus is introduced each store will also hand out coupons that are good for one day only.

*Yummy Mondaes* is a product that has been around for 25 years. It is Yummy's take on the classic ice cream sundae, but white-brownie and coffee-flavored crumbles are added to make it extra special. The company sells this product in one and two quart containers through major grocery store chains. It relies on personal selling and price discounts to retailers to move more of the product. The company does very little consumer promotion for this product.

*Yummy Fudge on a Stick* is a new product of fudge-flavored ice cream on a stick. Yummy plans to sell it through retail grocery stores also and is launching an aggressive advertising program that will use television, radio, newspaper, magazines, and the Internet. Most of its promotion will be directed at consumers.

Two years ago the company introduced *Yummy Fruit on a Stick*, an all-natural frozen fruit product on a stick. The product category has been popular, continues to grow, and is in the market growth stage of the product life cycle.

*Perreault - Chapter 13*

287. The plan for *PlanetSavers* emphasizes which element of the promotion blend?
*(p. 324)*

A. Advertising
**B.** Publicity
C. Personal selling
D. Sales promotion
E. Direct-response promotion

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Easy*
*LearnObj: 1*
*Perreault - Chapter 13 #287*
*Question Type: Application*
*Self-Test: No*

288. If Yummy relies on a sales contest to stimulate sales of *Cherry Walrus*, this would be an example of:
*(p. 325)*

A. advertising
B. personal selling
C. sales training
**D.** sales promotion
E. publicity

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 1*
*Perreault - Chapter 13 #288*
*Question Type: Application*
*Self-Test: No*

289. For a new product like *PlanetSavers*, which of the following would you expect to be a primary objective of the promotion that is planned?
*(p. 328)*

A. control of the message channel
B. increased promotional push
**C.** informing consumers
D. reminding ice cream shop managers and retailers
E. persuading consumers who otherwise wouldn't eat ice cream.

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 3*
*Perreault - Chapter 13 #289*
*Question Type: Application*
*Self-Test: No*

290. If Yummy wanted to target opinion leaders, which of the following groups is most likely to include them?
*(p. 340)*

A. innovators
**B.** early adopters
C. laggards
D. late majority
E. early majority

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #290*
*Question Type: Application*
*Self-Test: No*

291. Which of the following AIDA promotion objectives is best achieved by coupons for *Cherry Walrus*?
*(p. 329)*

A. attention
B. interest
C. desire
**D.** action

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 3*
*Perreault - Chapter 13 #291*
*Question Type: Application*
*Self-Test: No*

292. The promotion for *Yummy Mondaes* is a good example of:
*(p. 336)*

**A.** pushing
B. direct-response promotion
C. pulling
D. integrated marketing communications
E. noise in the communication process

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #292*
*Question Type: Application*
*Self-Test: No*

293. The *Yummy Fudge on a Stick* promotion plan relies on:
*(p. 337)*

A. direct-response promotion
B. integrated marketing communications
C. pushing
**D.** pulling
E. noise in the communication process

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #293*
*Question Type: Application*
*Self-Test: No*

294. According to your textbook, with a new product like *PlanetSavers*, a marketing manager should:
*(p. 339-340)*

A. attempt to obtain publicity
B. target initial communications toward innovators and early adopters
C. use an informing promotional objective
**D.** all of the above
E. none of the above

*AACSB: 3 Analytical skills*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 3,8*
*Perreault - Chapter 13 #294*
*Question Type: Application*
*Self-Test: No*

295. The brand manager who puts together a promotion blend for *Yummy Mondaes* should:
*(p. 336)*

A. realize that the right blend depends more on what customers expect than what the firm wants to accomplish.
**B.** determine who the firm is trying to influence.
C. determine the one right promotion blend and then implement it.
D. be primarily concerned with informing rather than persuading.

*AACSB: 10 Org Dynamics*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 7*
*Perreault - Chapter 13 #295*
*Question Type: Application*
*Self-Test: No*

296. *(p. 343)* Based on where the product category is in the product life cycle, promotion for *Yummy Fruit on a Stick* should:

**A.** emphasize ways that *Yummy Fruit on a Stick* is best.
B. be cut back or dropped so that money can be used on products that contribute to customer equity.
C. use reminder advertising.
D. build primary demand.

*AACSB: 9 Value creation*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 8*
*Perreault - Chapter 13 #296*
*Question Type: Application*
*Self-Test: No*

297. *(p. 330)* Which of the following illustrates communication "noise"?

A. A radio ad for *Planet Savers* is recorded at a higher volume than the music.
**B.** A consumer waiting in line for an ice cream cone can't see the sign promoting Cherry Walrus because the store is so crowded.
C. A consumer who thinks that environmentally friendly ice-cream is a stupid idea decides to try the new Planet Savers flavor anyway.
D. A TV ad for *Yummy Fudge on a Stick* features a large group of children singing and eating *Yummy* ice cream.
E. All of these illustrate "noise."

*AACSB: 1 Communication abilities*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 4*
*Perreault - Chapter 13 #297*
*Question Type: Application*
*Self-Test: No*

298. *(p. 334-335)* Which of the following illustrates customer-initiated interactive communication?

A. People who enter Yummy's online contest receive a "2 for 1" coupon for Yummy's new flavors.
**B.** A customer goes to Yummy's website to see if Yummy has an ice cream shop that is nearby.
C. A consumer goes to the CNN website and selects a video clip from World Cup Soccer, but at the start of the clip there is a short ad that shows kids eating *Yummy Mondaes*
D. A "gamer" at an online website ends a game and encounters a pop-up ad for *Yummy Fruit on a Stick*.
E. Consumers who participate in an online marketing research survey are later called and interviewed about which of Yummy's ads they remember.

*AACSB: 12 IT influences*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 6*
*Perreault - Chapter 13 #298*
*Question Type: Application*
*Self-Test: No*

299. To get the most out of its promotion spending, Yummy should probably develop its budget by:
*(p. 344)*

A. allocating some fixed percentage of net sales.
B. matching expenditures with competitors.
C. allocating money to the needs of new products first, then use any leftover money for other products.
**D.** using the "task method."
E. spending all available funds.

*AACSB: 8 Financial*
*Chapter: 13*
*Difficulty: Medium*
*LearnObj: 9*
*Perreault - Chapter 13 #299*
*Question Type: Application*
*Self-Test: No*

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