



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

Test Number 1290  
Booklet Number \_\_\_\_\_

# Marketing Cluster Exam

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

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

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1. When a business presents an item to the marketplace by emphasizing its economic value, the business is positioning the product on the basis of its
  - A. features.
  - B. price.
  - C. competitors.
  - D. benefits.
2. Which of the following sample designs is similar to “drawing names out of a hat”:
  - A. Simple random sampling
  - B. Systematic random sampling
  - C. Stratified random sampling
  - D. Cluster sampling
3. The most common grades of eggs found in supermarkets are grades
  - A. AAA, AA, and A.
  - B. AA and B.
  - C. A, B, and C.
  - D. AA and A.
4. It is usually most effective for goals to be phrased in \_\_\_\_\_ terms.
  - A. complex
  - B. simple
  - C. general
  - D. specific
5. Researchers are studying a company's past sales invoices as part of their current marketing research project. The sales invoices are examples of
  - A. units of analysis.
  - B. primary data.
  - C. secondary data.
  - D. relevant variables.
6. The owner of a business in a small town is considering moving to a nearby larger city but is concerned that current customers will not travel the additional 50 miles. What marketing element is involved in this situation?
  - A. Promotion
  - B. Place
  - C. Product
  - D. Price
7. Some large retailers have successfully integrated information sharing between channel members by incorporating \_\_\_\_\_ between suppliers, warehouse, and store checkout.
  - A. bar codes and PLUs
  - B. outsourcing and EDI
  - C. PLUs and invoices
  - D. bar codes and EDI

8. What is wrong with a survey question that asks, "How would you rate our customer service and product quality?"
- A. It asks respondents to assess two different topics at the same time.
  - B. It influences the respondent's answer by inserting an opinion.
  - C. It uses unfamiliar terminology that could confuse respondents.
  - D. It is an open-ended question that limits the respondent's answer.
9. Rent, salaries, and advertising are all examples of
- A. fixed costs.
  - B. cost of goods sold.
  - C. variable costs.
  - D. operating expenses.
10. You are a marketing-research specialist for a company and have been asked to develop ideas for a new product that the company might produce. To compile age, income, and geographic information on possible customers, you should obtain
- A. primary data from marketing-research companies.
  - B. primary data from industry organizations.
  - C. secondary data from government agencies.
  - D. secondary data from company sales records.
11. Salespeople may risk losing a sale to a potential customer if they are unable to explain a business's \_\_\_\_\_ policies.
- A. employee
  - B. operating
  - C. purchasing
  - D. selling
12. When Aaron receives what looks like an email from his bank asking him to verify his account information, he replies with his account number, phone number, and social security number. However, Aaron soon finds out that the email wasn't from his bank at all—it was from a scammer. Aaron is the victim of
- A. a computer virus.
  - B. a break-in.
  - C. phishing.
  - D. key logging.
13. Which of the following are primary ethical factors that a business considers when changing its products' packaging:
- A. Environmental issues
  - B. Market dominance
  - C. Color and quality
  - D. Pricing objectives

14. To build collaborative relationships with coworkers, it is necessary for each person to
- A. change their personal opinions.
  - B. be willing to share information.
  - C. possess the same skills and attitudes.
  - D. develop a competitive spirit.
15. Massimo's Corner Grocery sells a variety of fruits and vegetables to consumers within the community. Massimo's is considered a(n)
- A. producer.
  - B. agent.
  - C. wholesaler.
  - D. retailer.
16. Jerry walks into his first job interview with his resume and job application. He is wearing jeans, a T-shirt, and a baseball cap. Jerry had the skills and background necessary for the job but did not get the job. Which of the following concepts should Jerry consider for his next interview:
- A. Additional paperwork such as references and cover letters are required at job interviews.
  - B. Appearance is critical in the workplace.
  - C. Researching a workplace before the interview is crucial.
  - D. Personal appearance does not always reflect a person's attitude.
17. Why should a brand name be distinctive?
- A. So that it can be used in multinational marketing
  - B. So that it can easily be changed over time
  - C. So that it gives the product a generic image
  - D. So that it sets the product apart from other products
18. A business might have an excess of goods available for sale if it fails to gather marketing information and makes decisions using the \_\_\_\_\_ approach to marketing.
- A. low-priced
  - B. short-term
  - C. best-guess
  - D. data-based
19. The Power Good Company is attempting to project how much profit its brand new product is likely to generate. What is the company doing?
- A. Generating facts
  - B. Making estimates
  - C. Building data sets
  - D. Making predictions

20. Naomi's company purchases property for the location of a new motorcycle dealership. A month later, she runs the numbers again and discovers it doesn't make financial sense to open a new store. She convinces herself that the new location will bring in plenty of money and that the company shouldn't worry. Naomi's decision-making is affected by
- A. obedience to authority.
  - B. loss aversion.
  - C. incrementalism.
  - D. sunk costs.
21. Which of the following demonstrates responsible behavior on the part of employees:
- A. Being cooperative with coworkers
  - B. Letting others take the blame for their mistakes
  - C. Scheduling long meetings
  - D. Performing pleasant tasks first
22. Which of the following is the best place to start looking for data about competitors:
- A. The company's internal records
  - B. The company's call reports
  - C. The company's website
  - D. The local newspaper
23. When preparing her tax return, Lynnette listed the interest that she paid on her student loan as
- A. investment income.
  - B. an itemized deduction.
  - C. a tax-exempt investment.
  - D. taxable earnings.
24. Tonia was just hired as an assistant brand manager at Drake Goodwin. She is amazed at the fast-pace of the office. Everyone looks very busy, especially her supervisor. This morning when she arrived, there was a note from her supervisor on her desk explaining what she should do today. After reading it several times, she thinks she understands her assignment, but isn't positive. She can see her supervisor is busy on a phone call. What should she do?
- A. After her supervisor ends the call, ask her to clarify the instructions
  - B. Work on the task to the best of her ability
  - C. Work on a different task that she is comfortable doing
  - D. Ask a coworker to read the note and help her understand it
25. After a Korean auto manufacturer built a plant in Ames, Iowa, Kwan noticed a substantial growth of Korean residents in the area, many of whom were relocated to Ames to work for the plant. Kwan decided to import Korean goods and sell them in a small Korean specialty store near town. This is an example of a product opportunity resulting from
- A. shifts in population ethnicity.
  - B. advancements in technology.
  - C. differences in priorities.
  - D. changes in travel habits.

26. If you take a positive approach toward others, you can expect to have
- A. fewer friends.
  - B. more conflicts.
  - C. less competition.
  - D. better relationships.
27. What do businesses create to help answer the research problem?
- A. Procedures
  - B. Objectives
  - C. Activities
  - D. Strategies
28. One way that a manufacturer can foster positive relationships with its channel members is by
- A. encouraging a competitive culture.
  - B. using aggressive tactics.
  - C. selling directly to end users.
  - D. providing training programs.
29. For legal purposes, what should a business do when it collects marketing information from its online customers?
- A. Post its privacy policies on its website
  - B. Store the information at an insecure site
  - C. Purchase surge-protection insurance
  - D. Develop confidential selling strategies
30. The Federal Trade Commission protects consumers from high-pressure selling tactics by enforcing a regulation that gives consumers a(n)
- A. update on motor vehicle safety.
  - B. three-day cooling-off period.
  - C. list of harmful ingredients.
  - D. standard for prescription drug use.
31. Which of the following activities plays an important interactive role in securing client goodwill and patronage:
- A. Managing
  - B. Selling
  - C. Promoting
  - D. Purchasing
32. Which of the following situations is an example of a nonresponse error:
- A. Jenny coded a survey respondent's answer with the number two instead of the number three.
  - B. Ben found that the sample group was not representative of the target market.
  - C. Angela developed a written survey containing open-ended questions.
  - D. Tim did not answer the last two questions on a written survey.

33. What is the primary goal of corporate promotion?
- A. To sell a product
  - B. To publicize a service
  - C. To explain a specific feature
  - D. To create a certain image
34. Alyssa and Tyrone are working on a report together. They need to finish the report by Monday, but both of them will be out of town for the weekend. What tool would best help Alyssa and Tyrone finish their assignment on time without compromising teamwork?
- A. A collaborative software application such as Google Docs
  - B. A single-user word-processing software such as Notepad
  - C. A multimedia presentation software application such as PowerPoint
  - D. A mathematical spreadsheet program such as Microsoft Excel
35. Why are Universal Product Codes (UPCs) often preprinted on products before the manufacturer ships the products to the business?
- A. To simplify the price-marking function
  - B. To reduce the possibility of theft
  - C. To improve the transportation system
  - D. To increase the product turnover rate
36. Warehousing and shipping methods are operations considerations related to
- A. expense control.
  - B. maintenance needs.
  - C. logistics.
  - D. scheduling.
37. When examining a market, marketers primarily notice its
- A. records.
  - B. merchants.
  - C. categories.
  - D. leaders.
38. Which of the following is a true statement about qualitative research:
- A. It uses large samples of the population.
  - B. It is often conducted through experiments.
  - C. It is based on statistics and facts.
  - D. It is conducted during a short time frame.
39. Which of the following is a key subject that should be covered by a situation analysis:
- A. Collaborators
  - B. Marketing objectives
  - C. Product strategy
  - D. Financial plans

40. What are producers most likely to do if they decide their incomes are inadequate?
- A. Continue to buy more resources
  - B. Choose not to make goods and services
  - C. Continue to increase production
  - D. Choose not to supply needed resources
41. Which of the following statements best describes the concept of customer relationship management (CRM) in business:
- A. Customizing a wide variety of goods and services that will encourage customers to continue buying from a specific business
  - B. Obtaining and applying information about a customer's preferences and needs in ways that will build an ongoing buyer/seller relationship
  - C. Using nonpersonal promotion to communicate product information to customers for the purpose of obtaining repeat sales
  - D. Acquiring and manipulating external data to appeal to new market segments and gain market share from the competition
42. A customer asked, "What ties would you suggest with this shirt?" The salesperson responded, "Let me show you some that would look wonderful with it." The salesperson is demonstrating
- A. boredom and indifference.
  - B. a negative attitude.
  - C. extensive product knowledge.
  - D. interest and enthusiasm.
43. The major reason why most employees lose their jobs is that they simply lack
- A. technical knowledge.
  - B. the ability to get along well with others.
  - C. basic math and verbal skills.
  - D. the ability to carry out job tasks.
44. A disadvantage to a business of using traditional direct-mail advertising is that
- A. the business has little control over who receives the message.
  - B. a direct-mail package can only be used once.
  - C. it cannot be used for soliciting repeat customers.
  - D. it can be expensive to produce and distribute.
45. Which of the following are examples of things that can be protected by a copyright:
- A. Literary or musical works
  - B. Name or phrase
  - C. Symbol or design
  - D. Invention or process
46. Public relations efforts aimed at a company's own employees are often attempting to
- A. maintain employee goodwill.
  - B. educate the public about the company.
  - C. take advantage of employees.
  - D. sell products and services.



47. Which of the following factors helps determine if a manufacturer is illegally using closed sales territories for distribution purposes:
- A. Limited risk
  - B. Reduced competition
  - C. Increased intensity
  - D. Perishable goods
48. Which of the following is an external factor that affects the role of promotion in marketing:
- A. The product to be promoted
  - B. Government regulations
  - C. The price of the product
  - D. Distribution of the product
49. Intermediate-range sales forecasts are used to
- A. plan yearly budgets.
  - B. aid in scheduling.
  - C. make strategic plans.
  - D. aid in staffing.
50. Why is it necessary for a business to price its products very carefully?
- A. To track competitors' activities
  - B. To get a fair share of the market
  - C. To attract employees to the business
  - D. To create goodwill in the community
51. If several countries implement tariffs on imports, global trade often decreases. To reduce the negative effects of this form of trade protectionism, countries often negotiate
- A. domestic subsidies.
  - B. trade agreements.
  - C. export limits.
  - D. import restrictions.
52. A common goal shared by labor and management is to
- A. establish a labor organization.
  - B. keep the business operating smoothly and effectively.
  - C. increase the number of fringe benefits provided to employees.
  - D. pay workers maximum wages.
53. What is an effective data-collection method that provides accurate information about how people behave under normal circumstances?
- A. Experiment
  - B. Survey
  - C. Observation
  - D. Interview

54. As an audience member, which of the following should you do to encourage a speaker during an oral presentation?
- A. Quietly discuss the speech with the person sitting next to you.
  - B. Keep a straight face to communicate that you are serious.
  - C. Refrain from asking questions.
  - D. Smile.
55. What kind of team would take full responsibility for an entire line of products?
- A. Project team
  - B. Quality circle
  - C. Work team
  - D. Short-term committee
56. If a bank doubles its interest rates on loans, the demand for money will
- A. decrease.
  - B. remain the same.
  - C. continue to increase.
  - D. double.
57. During the execution-and-monitoring stage of project management, the project manager's job is to
- A. secure enough funding to complete the project.
  - B. assign roles to team members.
  - C. make sure the project stays on track.
  - D. deliver the project's final product.
58. The salesperson says, "Mrs. Jones, the Model 2XY upright vacuum cleaner has attachments that allow you to remove dust from furniture, draperies, and ceiling fans. It also has a steamer that deep cleans carpets." This is an example of a salesperson describing the product's
- A. durability.
  - B. construction.
  - C. multiple uses.
  - D. unique style.
59. Which of the following is a stage of a product's life cycle:
- A. Adolescence
  - B. Death
  - C. Birth
  - D. Maturity
60. A retailer buys a variety of toys from a number of different producers and makes them all available for sale in the same place. The retailer is reducing a discrepancy of
- A. quantity.
  - B. promotion.
  - C. installation.
  - D. assortment.

61. Every year, the MXQ Company contacts its customers to verify their phone numbers, shipping and billing information, and email addresses. The primary purpose of this activity is to
- A. update the company's customer records.
  - B. establish goodwill through public relations.
  - C. achieve the company's sales quotas.
  - D. determine the customers' buying intentions.
62. A sporting goods manufacturer has spent \$1 million on magazine advertising featuring well-known sports figures. As a salesperson, how should you use these promotions during a sales presentation?
- A. To build customer confidence
  - B. To prove the equipment is the best buy
  - C. To shorten the sales presentation
  - D. To forecast sales
63. Oreo's, Chips Ahoy, and Teddy Grahams are all cookies produced by Nabisco. The cookies are an example of a product
- A. mix.
  - B. assortment.
  - C. item.
  - D. line.
64. The Sandlot Company promotes its products to intermediaries who then promote the products to customers. The Sandlot Company is using a(n) \_\_\_\_\_ promotional strategy.
- A. push
  - B. pull
  - C. increasing
  - D. decreasing
65. What is an advantage in using the internet to promote products?
- A. Reduces businesses' need to use traditional publicity efforts
  - B. Increases businesses' annual sales volume by 10%
  - C. Enables tracking of users' viewing and purchasing habits
  - D. Creates a loyal customer base for businesses.
66. What is an ethical issue that affects the promotional efforts of many businesses?
- A. Children's advertising
  - B. Brand positioning
  - C. Integrated marketing
  - D. Personal selling
67. What is a regulatory factor that affects promotion on an international level?
- A. Culture of specific countries
  - B. Cost of media placement
  - C. Types of products being advertised
  - D. Price of comparable products

68. A sample indicates that the average income in the northwest region is \$31,257. This is an example of \_\_\_\_\_ statistical information.
- A. descriptive
  - B. unilateral
  - C. multivariate
  - D. sequential
69. Salespeople offer solutions to customers' needs by demonstrating their products and encouraging customers to \_\_\_\_\_ the products.
- A. handle
  - B. approve
  - C. admire
  - D. watch
70. Abdul is in the market for an engagement ring. When he decides on the ring he would like to purchase, the salesperson informs him of the company's lifetime warranty on engagement rings. Abdul decides to opt in for the warranty and signs a written contract. This is an example of a(n)
- A. implied warranty.
  - B. express warranty.
  - C. strategy.
  - D. guarantee.
71. What is an example of an amplified word-of-mouth strategy?
- A. A customer shares their opinion of a new product with a friend.
  - B. A company asks customers to share product reviews on a website.
  - C. Fans share the release date for a new product on Facebook.
  - D. Customers post comments about a company on Instagram.
72. Which of the following is a belief that is necessary to be assertive:
- A. I have the right to express my feelings any way I choose.
  - B. I should avoid asking other people for help.
  - C. I am worthy of my own respect and the respect of others.
  - D. I should try to agree with everyone.
73. When determining personal net worth, how are personal liabilities handled?
- A. They have to be eliminated first.
  - B. They are not used in the calculations.
  - C. They are subtracted from the net worth subtotal.
  - D. They are subtracted from the total of assets.
74. Which of the following is a characteristic of a persuasive sales message:
- A. Discredits the competition
  - B. Reminds customer of the product
  - C. Contains loaded language
  - D. Makes the product appealing

75. To be reimbursed for business expenses, Luke must obtain and complete an expense-reimbursement form, attach the original transaction receipts to the completed form, and submit the documentation to his manager for approval. What is Luke doing?
- A. Evaluating company feedback
  - B. Assessing company guidelines
  - C. Following company procedures
  - D. Developing company policies
76. What should employees do after interacting with each customer?
- A. Take a short rest break
  - B. Talk to the manager about the customer
  - C. Thank the customer for coming
  - D. Prepare a sales report
77. Determine whether the following statement is true or false: Identifying the reason the business needs to do marketing research is the easiest step in the marketing research process.
- A. True; identifying the reason for the research is an easy and inexpensive step.
  - B. True; this step is easy because businesses know what their research needs are.
  - C. False; outside experts must be hired to identify the reason for the research.
  - D. False; identifying the real reason for the research can be a very difficult step.
78. Which of the following statements regarding corporate branding is true:
- A. A business's core values identify the beliefs that the business stands for.
  - B. Brand cues are used primarily to identify the company in its advertising.
  - C. Customer service representatives are responsible for corporate branding.
  - D. Customer touch points typically occur before sales transactions.
79. Ollie is designing a magazine ad, and he wants to draw attention to one main feature. To do so, Ollie should
- A. use white space.
  - B. keep his audience in mind.
  - C. change fonts often.
  - D. avoid clashing colors.
80. What barrier to creativity is being described in the following situation: "We've been working around the clock for weeks to meet the deadline on our project. It's getting harder and harder to come up with new ideas."
- A. Need to be right the first time
  - B. Criticism
  - C. Stress
  - D. Limiting code of behavior
81. A business might be involved in the illegal activity of deceptive pricing if it
- A. changes prices according to current demand.
  - B. offers special prices on a discontinued item.
  - C. misleads customers about the true value of a product.
  - D. sells products at a limited number of predetermined price points.

82. The electric grinder you use to grind castings has an on-off switch that does not work properly. You feel that the tool is unsafe and should be repaired. What should you do?
- A. Ask a coworker for help.
  - B. Report it to your supervisor.
  - C. Attempt to fix it yourself.
  - D. Use it until the switch no longer works.
83. Your store is purchasing a new display case. Which type of newspaper advertisement would be most appropriate to use to sell the old display case?
- A. Special advertising
  - B. Classified advertising
  - C. Classified display advertising
  - D. Display advertising
84. Telling a brand story is important because it
- A. is a fun activity for the company.
  - B. is entertaining for customers.
  - C. connects the brand with customers.
  - D. eliminates the need for a corporate brand.
85. Identify the type of product utility being described in the following situation: A retail store decides to locate in a suburban shopping center.
- A. Possession
  - B. Place
  - C. Time
  - D. Form
86. Which of the following is a marketing activity that a business should coordinate with distribution to successfully sell its product:
- A. Production
  - B. Promotion
  - C. Training
  - D. Operations
87. Which of the following examples illustrates the use of the cause and effect method of formatting for structuring oral presentations:
- A. We will discuss the basic steps used in developing effective time management techniques, and the first step is to prioritize all of your commitments.
  - B. Monet and Cezanne were both impressionist artists; however, their painting techniques and use of color differed greatly.
  - C. The use of toxic chemicals in the environment can result in the extinction of many species of waterfowl.
  - D. The public supports increased spending on national security, and a survey reports that over 70% of the citizens fear future terrorist attacks.

88. Which of the following is a result of evaluating vendor performance:
- A. More defects in the supply chain
  - B. Fewer opportunities for communication
  - C. Less cooperation from the vendor
  - D. Better overall risk management
89. Businesses are being socially responsible to their customers when they
- A. provide safe working environments.
  - B. contribute to community causes.
  - C. offer employees job training.
  - D. test the safety of their products.
90. Which of the following is an ongoing population trend that affects how businesses market their goods and services:
- A. Migration
  - B. Lifestyle
  - C. Consumption
  - D. Behavior
91. Being able to put yourself in another person's place means that you have
- A. perspective.
  - B. respect.
  - C. understanding.
  - D. empathy.
92. During what phase of a product's life cycle is a business most likely to develop advertising campaigns to remind customers about the product or promote features added to the product?
- A. Obsolescence
  - B. Introduction
  - C. Maturity
  - D. Decline
93. One advantage to businesses using electronic funds transfer technology to collect accounts receivable is that it eliminates
- A. payee outsourcing.
  - B. check processing.
  - C. liquidity reporting.
  - D. sales discounting.
94. Von is a very thorough record keeper. He always carefully files his company's bills, receipts, and cancelled checks because he knows that the company has a responsibility to prove the expenses it lists on its tax return. Von's company bears a
- A. tax return proof.
  - B. burden of proof.
  - C. responsibility to prove.
  - D. record burden.

95. To outdo competitors, a company may choose air freight to distribute its products. Which of the four P's of marketing is affecting the product's price?
- A. Packaging
  - B. Place
  - C. Promotion
  - D. Product
96. Which marketing career is usually in charge of writing press releases?
- A. Marketing operations
  - B. Customer service
  - C. Marketing research
  - D. Public relations
97. Customers' service expectations are
- A. based on past experiences.
  - B. not affected by advertising.
  - C. one size fits all.
  - D. dependent on the needs of others.
98. Which of the following is an example of a product being sold to an organization for resale:
- A. A potter sells pottery at a flea market.
  - B. A retailer sells a small refrigerator to a coffee shop.
  - C. A wholesaler sells candy to a concession stand.
  - D. A farmer sells produce to a restaurant.
99. Why are some business professionals reluctant to generate new product ideas?
- A. They are afraid of risk.
  - B. They like to explore.
  - C. They are lateral thinkers.
  - D. They think "outside the box."
100. When processing marketing information, assigning numeric value to different responses or types of data is known as
- A. interpreting.
  - B. formulating.
  - C. editing.
  - D. coding.





## KEY

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## 1. B

Price. Product positioning is the customer's image or impression of a product as compared to that of competitive products. For example, the Ford Focus (automobile) is positioned to emphasize the car's ability to provide customers with a mode of transportation at a relatively low price. Benefits are the advantages that the customer receives from using the product. Features are the product's attributes or characteristics. A business competitor is a rival business that seeks to attract the same scarce customer dollars. Some businesses position their products to compete with similar products offered by other (rival) businesses.

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

SOURCE: Landman, P. (2022). *Price positioning*. Retrieved September 18, 2023, from <https://www.xotels.com/en/glossary/price-positioning>

## 2. A

Simple random sampling. Simple random sampling is a probability sampling method in which every sampling unit has a known and equal chance of being selected--akin to drawing names out of a hat. Stratified random sampling is a probability sampling method in which researchers break the target population down into non-overlapping groups and draw simple random samples from each one. Cluster sampling is a probability sampling method in which researchers divide the target population into non-overlapping sub-populations that are determined by geography and then randomly sample each one. Systematic random sampling is a probability sampling method in which researchers place sampling units into a random list and draw a sample using a skip interval.

SOURCE: IM:285 Discuss the nature of sampling plans (i.e., who, how many, how chosen)

SOURCE: LAP-IM-285--Take Your Pick (Nature of Sampling Plans)

## 3. D

AA and A. Eggs are graded according to their quality. The top grades are AA and A, which are suitable for cooking in several different ways. Grade B is the next level of quality, and B-grade eggs would be suitable for baking or general cooking. There is no AAA grade, and grade C is not usually sold by retailers.

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

SOURCE: LAP-PM-019--Raise the Bar (Grades and Standards)

## 4. D

Specific. Goals should be as specific as possible, not stated in general terms. A time limit should be set for achieving the goals. These guidelines apply to both simple and complex goals.

SOURCE: PD:018 Set personal goals

SOURCE: LAP-PD-918--Go for the Goal (Goal Setting)

## 5. C

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

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

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

6. B

Place. The place, or distribution, element of marketing involves moving, storing, locating, and/or transferring ownership of goods and services. Making products available where customers are willing to go is also a concern of place. Price involves determining and adjusting prices to maximize return and meet customers' perceptions of value. Product refers to what goods, services, or ideas will be offered to customers. Promotion refers to the various strategies that marketers use to communicate information about goods, services, images, and/or ideas to achieve a desired outcome.

SOURCE: MP:001 Explain the concept of marketing strategies

SOURCE: LAP-MP-001--Pick the Mix (Nature of Marketing Strategies)

7. D

Bar codes and EDI. Bar codes are a way of marking products that allows for electronic data interchange (EDI). This is an example of integrated information sharing that has advanced most areas of physical distribution. Merchandise information stored on the magnetic bar code is used for pricing, inventory control, reordering, market research, etc. PLUs or price look-ups are codes assigned to merchandise that typically changes price frequently. The number is entered into the checkout system and the assigned price ID rung. Outsourcing requires an outside business to complete a specified task.

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

SOURCE: Transalis. (2023, April 6). *50 years of the barcode: How EDI advances business automation*. Retrieved September 18, 2023, from <https://www.transalis.com/blogs/industry-news-and-updates/50-years-of-the-barcode-how-edi-advances-business-automation>

8. A

It asks respondents to assess two different topics at the same time. The survey question "How would you rate our customer service and product quality?" is an example of a double-barreled question, which requests a single answer for two different topics (customer service and product quality). It is not an open-ended question limiting the respondent's answer. The survey question does not insert an opinion or use unfamiliar terminology.

SOURCE: IM:293 Evaluate questionnaire design (e.g., types of questions, question wording, routing, sequencing, length, layout)

SOURCE: SurveyMonkey. (1999-2023). *Best practices for writing good survey and poll questions*. Retrieved September 18, 2023, from <https://www.surveymonkey.com/mp/writing-survey-questions>

9. D

Operating expenses. Operating expenses are the costs of running a business. They may be variable or fixed but do not include the costs of items purchased for resale, or the cost of goods sold. Fixed costs are business costs that are not affected by changes in sales volume. An example is rent. Variable costs are business costs that change according to changes in sales volume. An example would be increased salary expense due to the hiring of more salespeople.

SOURCE: OP:024 Explain the nature of overhead/operating costs

SOURCE: Kenton, W. (2023, August 24). *Operating expense (OpEx) definition and examples*. Retrieved September 18, 2023, from [https://www.investopedia.com/terms/o/operating\\_expense.asp](https://www.investopedia.com/terms/o/operating_expense.asp)

10. C

Secondary data from government agencies. Secondary data are information that have been collected for purposes other than the project at hand. Government agencies are a good source of secondary data because they compile extensive information on the general public, including median age and income statistics in geographic areas throughout the country. Company sales records would not contain age, income, and geographic information on customers. Information from marketing-research companies and industry organizations is considered to be secondary data rather than primary data.

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

SOURCE: LAP-IM-001--Get the Facts Straight (Marketing-Information Management)

11. D

Selling. Selling policies are general rules established by management to guide the personal selling effort and outline how things must be done. Salespeople may encounter problems when they are not knowledgeable about their company's selling policies and are unable to explain them to potential customers. Salespeople may risk losing a sale if they are unable to explain policies about issues such as credit terms and delivery service. Operating policies regulate the actual running of a business. Employee policies are guidelines explaining how employees are to act and how they are to deal with customers. Purchasing policies are guidelines that direct purchasing decisions.

SOURCE: SE:932 Explain company selling policies

SOURCE: LAP-SE-932--Sell Right (Selling Policies)

12. C

Phishing. Phishing occurs when an email that appears to be from a reputable source (like your bank, a store, a credit card company, or an online auction site) is actually from a scam artist. The email might ask for personal information like account numbers, which the scammer is likely to use to access the victim's funds. Key loggers record your keystrokes, enabling someone to record your passwords and account numbers as you type them. Aaron is not the victim of key logging, a break-in, or a computer virus.

SOURCE: FI:073 Protect against identity theft

SOURCE: O'Shea, B. (2023, February 7). *Identity theft: What it is, how to prevent it, warning signs and tips*. Retrieved September 18, 2023, from <https://www.nerdwallet.com/article/finance/how-to-prevent-identity-theft>

13. A

Environmental issues. Discarded product packaging--boxes, cans, bottles, and wrapping--eventually go to landfills and dumping grounds, which negatively affect the natural environment. An ethical business will try to develop recyclable and/or biodegradable packaging to reduce damage to the environment. Market dominance, color, quality, and pricing objectives are not primary ethical factors that a business considers when changing its products' packaging.

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

SOURCE: LAP-PM-040--Safe and Sound (Ethics in Product/Service Management)

14. B

Be willing to share information. Collaboration involves working together in a cooperative manner. It requires honesty, trust, and a willingness to share information to accomplish common goals. It is not necessary for people to possess the same skills and attitudes or to change their values or opinions to effectively collaborate. An overly competitive attitude may hinder collaboration because people may become more interested in their own agendas rather than focusing on the group's goals.

SOURCE: EI:061 Maintain collaborative partnerships with colleagues

SOURCE: Herrity, J. (2023, March 10). *8 ways to build strong relationships in the workplace*. Retrieved September 18, 2023, from <https://www.indeed.com/career-advice/career-development/how-to-build-relationships>

15. D

Retailer. A retailer is a business that buys goods and sells them to the final consumer. Wholesalers are intermediaries who buy goods from producers or agents and resell them to other businesses. Agents are intermediaries who assist in the sale of goods but do not take title to them. Producers are growers, providers, or manufacturers of goods and services.

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

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

16. B

Appearance is critical in the workplace. Employers often judge potential employees based on first impressions. You can expect an interviewer to examine your personal appearance carefully and to interpret it as an indicator of the way you might perform on the job. Researching a workplace and bringing appropriate paperwork to the interview are important but may not be significant if a negative first impression is given. Personal appearance does not always reflect a person's attitude, but one must assume that the appearance of your clothing will help determine whether the interview would be a waste of the employer's time.

SOURCE: PD:002 Maintain appropriate personal appearance

SOURCE: LAP-PD-002--Brand Me (Personal Appearance)

17. D

So that it sets the product apart from other products. The brand name should not be too common or too similar to those used by competitors. It should be appropriate and even clever, if possible. A brand name's adaptability makes it useable in multinational marketing and prevents it from needing to be changed over time. A distinctive brand name gives the product a specific image, not a generic image.

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

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

18. C

Best-guess. The information gathered through the marketing-information management function enables business owners and managers to make informed decisions about what to sell and to whom to sell, rather than relying on a "best-guess" approach to marketing. Without the data from marketing-information management, businesspeople can only guess at what and how much to offer for sale. An incorrect guess could leave businesses with excess goods that no one wants to buy. The low-priced approach involves selling goods at low prices. The short-term approach involves making decisions to solve immediate problems. The data-based approach involves relying on research and information to make decisions.

SOURCE: MK:002 Describe marketing functions and related activities

SOURCE: LAP-MK-002--Work the Big Seven (Marketing Functions)

19. B

Making estimates. Estimates are approximations of data--or put more simply, educated guesses. Since the product is brand new, the company doesn't have any past sales on which to base its projection. Instead, it has to formulate its best guess for how much profit the product will generate. A prediction is based on past sales and current market data. Facts are data that can be verified. Because the product is new, there is no way data can be verified for it. Data sets may be the foundation for estimates or predictions, but there's no indication that the business in this situation is building data sets.

SOURCE: IM:012 Describe the need for marketing data

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

20. D

Sunk costs. Sunk costs are costs that have already been incurred and thus cannot be recovered. If you have already invested in something, it is difficult to admit that it was not the right decision, especially when there is nothing you can do about it. Loss aversion is the tendency to avoid a loss at all costs, even when attempting to avoid that loss can lead to negative consequences. Obedience to authority refers to the natural tendency to want to please authority figures. Incrementalism refers to the diminishing of ethical values over time.

SOURCE: FI:355 Discuss the role of ethics in finance

SOURCE: LAP-FI-355--Money Morals (The Role of Ethics in Finance)

21. A

Being cooperative with coworkers. Responsible workers work cooperatively with others and do not create problems for them. They also take the blame for their own mistakes. Performing pleasant tasks before unpleasant ones and scheduling long meetings are not characteristics of responsible behavior.

SOURCE: EI:021 Demonstrate responsible behavior

SOURCE: LAP-EI-021--Make the Honor Role (Acting Responsibly)

22. C

The company's website. Finding data about competitors can be difficult. The best place to start looking is usually the "Investors" section of the company's website. You would not have access to the company's internal records or call reports. You may or may not find useful data in the local newspaper.

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

SOURCE: LAP-IM-184--Data Diving (Identifying Marketing Data)

23. B

An itemized deduction. The government allows taxpayers to itemize or list certain expenses on their tax returns to reduce the amount of taxable income. These expenses include charitable donations, a percentage of medical expenses, business expenses, and interest paid on some types of loans. Investment earnings, such as dividend payments, are taxable income. The federal government does not tax certain types of investments, such as municipal bonds.

SOURCE: FI:074 Prepare personal income tax forms

SOURCE: IRS. (2023, April 6). *Topic number 456, student loan interest deduction*. Retrieved September 19, 2023, from <https://www.irs.gov/taxtopics/tc456>

24. A

After her supervisor ends the call, ask her to clarify the instructions. It is always best to get clarification straight from the source of the information. Most supervisors will appreciate an employee who knows how to collect facts and then do a job well instead of an employee who guesses and then wastes time completing the wrong thing. Asking a coworker may lead to an incorrect guess as well. Proceeding without clarification may lead to time and effort wasted. Working on something else means that Tonia ignored her supervisor's wishes for the tasks to be done today.

SOURCE: PD:020 Analyze employer expectations in the business environment

SOURCE: Atkins, I. (2023, July 31). *Setting clear expectations for employees*. Retrieved September 18, 2023, from <https://www.businessnewsdaily.com/9451-clear-employee-expectations.html>

25. A

Shifts in population ethnicity. A product opportunity is a favorable circumstance that presents itself to provide a good or service that customers are willing to buy. Kwan discovered a product opportunity to sell Korean goods when a Korean plant built and relocated Korean workers in his community. Because the number of Korean residents increased, the community experienced changes or shifts in population ethnicity. Kwan's store is a way to meet the unfulfilled needs of a very specific market. The example is not a product opportunity resulting from changes in travel habits, differences in priorities, or advancements in technology.

SOURCE: PM:134 Identify product opportunities

SOURCE: Kelley, K. (2023, March 14). *Understanding your customers: How demographics and psychographics can help*. Retrieved September 18, 2023, from <https://extension.psu.edu/understanding-your-customers-how-demographics-and-psychographics-can-help>

26. D

Better relationships. Positive people usually have better personal relationships than others because they are cheerful, kind, considerate, and interested in others. This means they have many friends, which makes their lives richer. Being positive does not necessarily increase the number of conflicts they encounter or reduce the amount of competition.

SOURCE: EI:019 Exhibit a positive attitude

SOURCE: LAP-EI-003--Opt for Optimism (Positive Attitude)

27. B

Objectives. There is a strong relationship between the research purpose and the research objectives, which are the goals of the research. Businesses create research objectives to help answer the research problem. For example, if the problem is service, one objective might be to determine customer satisfaction with delivery. Strategies are plans of action, or activities, for achieving goals and objectives. A procedure is the step-by-step process personnel follow in performing a specific task.

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

SOURCE: Indeed. (2023, February 16). *Research objectives: Definition and how to write them*. Retrieved September 18, 2023, from <https://www.indeed.com/career-advice/career-development/research-objectives>



28. D

Providing training programs. Positive channel relationships require collaboration among channel members. Collaboration involves sharing relevant information, setting mutually beneficial goals, and developing a team-oriented attitude. Channel leaders have the most power or leverage in the channel, and can implement tactics to foster positive relationships. Providing channel members with product training programs helps channel members be successful in selling the products. Encouraging a competitive culture among channel members, using aggressive tactics, and selling directly to end users are more likely to create conflict and have a negative impact on channel relationships.

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

SOURCE: Magentrix Corporation. (2018, March 20). *PRM 101: Training and certification*. Retrieved September 18, 2023, from <https://www.magentrix.com/articles/blog/Partner-Relationship-Management-101-1-19-3-2018>

29. A

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

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

SOURCE: Pegarella, S. (2019, July 16). *Privacy policies are mandatory by law*. Retrieved September 18, 2023, from <https://www.termsfeed.com/blog/privacy-policy-mandatory-law>

30. B

Three-day cooling-off period. The Federal Trade Commission enforces a regulation that gives consumers a three-day cooling-off period after signing a purchase contract for consumer goods or services. Consumers cannot be penalized by the seller for canceling a contract within the three-day period. This protects consumers from their own hasty decisions or from high-pressure selling tactics that have influenced them. The Consumer Product Safety Commission requires businesses to list harmful ingredients. The National Highway Traffic Safety Administration provides updates on motor vehicle safety. The Food and Drug Administration issues standards for prescription drug use.

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

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

31. B

Selling. Selling activities involve approaching the prospective customer and attempting to make a sale. Through these important interactive activities, salespeople build rapport with customers, thereby building goodwill for the business and solidifying customer/client relationships. None of the other alternatives involves regular interaction with customers. Promoting involves informing customers about goods and services. Managing is the process of coordinating resources to accomplish an organization's goals. Purchasing is the planning and procedures necessary to obtain goods and services for resale.

SOURCE: SE:828 Explain key factors in building a clientele

SOURCE: LAP-SE-828--Keep Them Loyal (Key Factors in Building Clientele)



32. D

Tim did not answer the last two questions on a written survey. Nonresponse errors occur when respondents do not answer a question or complete a survey. These errors may affect the quality of the overall data and the analysis process. Because Tim didn't answer two questions on a survey, a nonresponse error occurred. Errors may be intentional or unintentional. For example, a respondent might refuse to answer a question because they believe it is too personal, while another respondent might not answer a question because they did not see it. Incorrect coding is an editing error. When a sample group is not representative of the target market, a procedural error occurs. Developing open-ended survey questions does not indicate a nonresponse error.

SOURCE: IM:292 Identify sources of error in a research project (e.g., response errors, interviewer errors, non-response errors, sample design)

SOURCE: Statistics Canada. (2021, September 9). 3.5.3 *Non-sampling error*. Retrieved September 18, 2023, from <https://www150.statcan.gc.ca/n1/edu/power-pouvoir/ch6/nse-endaie/5214806-eng.htm>

33. D

To create a certain image. The primary goal of corporate promotion is to create a certain image of the company in the eyes of the consumer. This is accomplished by informing consumers about the company, its ideas, and its philosophy. Unlike product promotion, institutional or corporate promotion does not attempt to sell a good or service. The goal of corporate promotion is not to explain a specific feature.

SOURCE: PR:002 Explain the types of promotion (i.e., institutional, product)

SOURCE: LAP-PR-902--Know Your Options (Product and Institutional Promotion)

34. A

A collaborative software application such as Google Docs. Collaborative groupware applications such as Google Docs can help teams work together in real time, even if group members are in different locations. Collaborative software would likely be Alyssa and Tyrone's best choice for completing their report by Monday without sacrificing teamwork. Notepad, PowerPoint, and Excel would not necessarily help them work on their report together in real time.

SOURCE: NF:011 Demonstrate collaborative/groupware applications

SOURCE: Fisher, S. (2018, July 18). *Your guide to collaborative document editing with Google Docs*. Retrieved September 18, 2023, from <https://www.mojomedialabs.com/blog/your-guide-to-collaborative-document-editing-with-google-docs>

35. A

To simplify the price-marking function. The Universal Product Code (UPC) label is encoded with product information such as price, brand, size, etc., to be read by an electronic scanner. Technology allows manufacturers to preprint this data on packages before shipping them to businesses. The preprinted data simplify the price-marking function because the business does not need to mark a price on each product. The UPC data contain the necessary pricing information. Preprinting UPCs on products does not increase the product turnover rate, reduce the possibility of theft, or improve the transportation system.

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

SOURCE: GSI. (2023). *Guide to UPC codes*. Retrieved September 18, 2023, from <https://www.gs1us.org/upcs-barcodes-prefixes/guide-to-upcs>

36. C

Logistics. Operations are the day-to-day activities for continued business functioning. Logistics refers to the function of operations that manages the flow of goods and services from production to consumption. Logistics includes all the people, information, and processes involved in storing (e.g., type of warehouse) and transporting goods (e.g., shipping method). Scheduling is the production activity that establishes the timetable to be followed in production. Maintenance needs refer to the routine maintenance and repair of business facilities and equipment. The operations function controls many activities within the business, which means that this function encounters a lot of expenses incurred by the business. Therefore, expense control is an important operations activity because it focuses on efficiency and keeping the business's costs low for its day-to-day activities.

SOURCE: OP:189 Explain the nature of operations

SOURCE: LAP-OP-189--Smooth Operations (Nature of Operations)

37. C

Categories. Marketers look at markets to divide them into groups or categories according to what customers have in common. Merchants, market leaders, and records have little to do with finding categories.

SOURCE: MP:003 Explain the concept of market and market identification

SOURCE: LAP-MP-003--Have We Met? (Market Identification)

38. D

It is conducted during a short time frame. Qualitative research is conducted during a short time frame. It uses small samples of the population and is based on subjective data--thoughts, feeling, experiences, emotions, etc. Quantitative research uses experiments as a method; qualitative research relies more on questionnaires, focus groups, informal interview, etc.

SOURCE: IM:281 Describe options businesses use to obtain marketing research data (i.e., primary and secondary research)

SOURCE: LAP-IM-281--What's the Source? (Obtaining Marketing-Research Data)

39. A

Collaborators. The situation analysis should look at the company, the customers, the competitors, the collaborators, and the climate (external factors). These areas are sometimes known as the 5 C's. Collaborators include any partnerships or relationships that a company has. Marketing objectives and financial plans have their own respective sections of the marketing plan. Product strategy falls under the marketing strategies and programs section of the marketing plan.

SOURCE: MP:007 Explain the nature of marketing plans

SOURCE: LAP-MP-007--A Winning Plan (Nature of Marketing Plans)

40. B

Choose not to make goods and services. Producers must receive enough income so that they are able to continue making or providing goods and services. If they decide that their incomes are inadequate, they may choose not to make goods and services, and production would cease. If their incomes are inadequate, producers probably would not buy more resources or continue to increase production. Resource owners, not producers, supply needed resources.

SOURCE: EC:001 Describe the concepts of economics and economic activities

SOURCE: LAP-EC-901--Are You Satisfied? (Economics and Economic Activities)

41. B

Obtaining and applying information about a customer's preferences and needs in ways that will build an ongoing buyer/seller relationship. Customer relationship management (CRM) is the strategies, processes, and policies used by businesses to build, maintain, and maximize the long-term value of customer relationships. To build a loyal relationship with a customer, a business must know a customer's needs, wants, and preferences and take steps to accommodate these needs, wants, and preferences on an ongoing, consistent basis. To maintain customer loyalty, a business must be able to effectively communicate with the customer in many ways--both personal and nonpersonal. Not all businesses can or want to customize their product mix; however, they can use technological applications to personalize the messages that they send to customers. Although a business might want to use CRM strategies to increase market share by appealing to new market segments, this does not always involve manipulating external data.

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

SOURCE: Hargrave, M. (2023, July 31). *What is CRM? Customer relationship management defined*. Retrieved September 18, 2023, from [https://www.investopedia.com/terms/c/customer\\_relation\\_management.asp](https://www.investopedia.com/terms/c/customer_relation_management.asp)

42. D

Interest and enthusiasm. The salesperson has shown an immediate interest in the customer's request and given an enthusiastic response. The salesperson does not have a negative attitude, which would be characterized by boredom and indifference. The extent of their product knowledge cannot be judged by the response to a single question.

SOURCE: EI:020 Demonstrate interest and enthusiasm

SOURCE: Escalicas, R. (2016, May 15). *3 tips for exceptional customer service*. Retrieved September 18, 2023, from <https://www.go1.com/blog/post-3-tips-exceptional-customer-service>

43. B

The ability to get along well with others. Approximately 85% of employees who lose their jobs do so because they are not able to get along well with others. The alternatives may be reasons why persons lose their jobs, but they're not the primary reason.

SOURCE: EI:037 Foster positive working relationships

SOURCE: LAP-EI-037--Can You Relate? (Fostering Positive Working Relationships)

44. D

It can be expensive to produce and distribute. Direct-mail is a promotional medium that comes to consumers' homes and businesses. Traditional direct-mail advertising involves the production and distribution of promotional materials that are delivered by a postal or delivery service to consumers' mailboxes. The high cost per piece means a business will need to calculate carefully the response rate needed to break even. It is ideal for getting repeat customers and can be timed for the mailings to arrive at crucial periods, such as the beginning of a sales promotion. In many situations, packages can be designed for reuse or to be reused with very little updating.

SOURCE: PR:089 Explain the nature of direct marketing channels

SOURCE: Wolski, C. (n.d.). *The disadvantages of direct mail*. Retrieved September 18, 2023, from <https://smallbusiness.chron.com/disadvantages-direct-mail-1436.html>

45. A

Literary or musical works. A copyright is a legal protection of books and other artistic works granted by government that gives their creators sole rights to them for a certain period of time. Literary, musical, dramatic, and architectural works, along with sound recordings and computer programs, are some examples of things that can be protected by a copyright. Inventions or processes are examples of things that can be protected by a patent--a legal protection of an invention or a process granted by government to its owners for a certain number of years. Symbols, designs, names, or phrases are examples of things that can be protected by a trademark--a word, name, symbol, or device used by a manufacturer or merchant to identify and distinguish its goods from those manufactured and sold by others.

SOURCE: BL:051 Describe methods used to protect intellectual property

SOURCE: Entrepreneur. (2023). *Intellectual property*. Retrieved September 18, 2023, from <https://www.entrepreneur.com/encyclopedia/intellectual-property>

46. A

Maintain employee goodwill. Public relations efforts that are aimed at employees are often attempts to enhance employee morale and maintain employee goodwill toward the business. Educating the public about the company is the purpose of other types of public relations, such as those that are aimed at consumers. Taking advantage of employees is not usually a purpose of public relations. Selling products and services is an indirect goal of public relations aimed at the public, but it is not the ultimate purpose.

SOURCE: PR:253 Discuss internal and external audiences for public-relations activities

SOURCE: Advameg, Inc. (2023). *Public relations*. Retrieved September 19, 2023, from <https://www.referenceforbusiness.com/small/Op-Qu/Public-Relations.html>

47. B

Reduced competition. A distribution channel consists of all the businesses and individuals that move products from the producer to the end user. Governments develop laws to monitor and regulate distribution activities so that individuals and businesses operate in a consistent, fair manner. When a channel member attempts to reduce competition, it may be violating certain laws. One activity that may reduce competition is a manufacturer closing a sales territory to keep its competitors from obtaining access to the market. High distribution intensity, product type (e.g., perishable), and risk level are not factors that determine if a manufacturer is illegally using closed sales territories in relation to the distribution process.

SOURCE: CM:005 Explain legal considerations in channel management

SOURCE: ZABANGA Marketing. (2023, August 6). *Legal and ethical issues in channel relations*. Retrieved September 18, 2023, from <https://www.zabanga.us/sales-force/legal-and-ethical-issues-in-channel-relations.html>

48. B

Government regulations. Government regulations are an external factor affecting promotion by putting restrictions on its use. For example, government regulations prohibit cigarettes from being promoted on TV or radio. The product that is to be promoted, the channels of distribution, and the price of the product are all internal factors within the control of the business.

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

SOURCE: LAP-PR-901--Razzle Dazzle (Nature of Promotion)

49. A

Plan yearly budgets. Intermediate-range sales forecasts cover periods of three months to two years. They are used to plan budgets and make determinations regarding capital expenditures. Long-range sales forecasts are used in strategic planning. Short-range sales forecasts are used to aid in day-to-day decision-making regarding scheduling, staffing, inventory, etc.

SOURCE: MP:013 Explain the nature of sales forecasts

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

50. B

To get a fair share of the market. Gaining market share is often an important pricing goal. Businesses may lower prices to attract new customers and increase their market share. This could create goodwill in the community, but that is not the purpose of the tactic. Price levels are not used to attract employees. Competitors' activities would be tracked before prices were set.

SOURCE: PI:002 Explain factors affecting pricing decisions

SOURCE: Kramer, L. (2023, April 8). *What strategies do companies employ to increase market share?* Retrieved September 18, 2023, from <https://www.investopedia.com/ask/answers/031815/what-strategies-do-companies-employ-increase-market-share.asp>

51. B

Trade agreements. Global trade is an intricate balancing act. When one or more key players in the global economy begins reducing its participation in trade, the entire economy can suffer. To reduce the negative effects of import tariffs and other trade restrictions, countries often negotiate trade agreements with one another. Trade agreements attempt to strike deals among several countries to encourage cross-country trade. Domestic subsidies are often used as a form of trade protectionism, not as a method for encouraging global trade. Export limits and import restrictions would also fall into the category of trade protectionism.

SOURCE: BL:145 Explain the nature of import/export law

SOURCE: Amadeo, K. (2021, October 25). *What are exports?* Retrieved September 18, 2023, from <https://www.thebalancemoney.com/exports-definition-examples-effect-on-economy-3305838>

52. B

Keep the business operating smoothly and effectively. If a business is successful, workers have a better chance of getting higher wages and better working conditions. In addition, management has a better chance of increasing the business's profits. Workers are responsible for establishing labor unions to strengthen their bargaining power with management. Obtaining more fringe benefits and high wages for employees is one of the main purposes of labor unions.

SOURCE: EC:015 Explain the concept of organized labor and business

SOURCE: LAP-EC-915--Get United (Organized Labor)

53. C

Observation. Observation is a marketing-research method that gathers data by watching consumers. It is an effective research approach that provides information about what they do and how they interact with others. People do not know they are being observed so they behave in a normal way that provides useful information. The survey, experiment, and interview methods involve contact with people so they may not provide the most truthful or accurate information about what they do.

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

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

54. D

Smile. A smile shows the speaker that you support and encourage them. It is a good idea to ask questions when given the opportunity. It shows interest in the topic. A straight face is difficult for a speaker to interpret. It may mean a person is upset, daydreaming, or seriously listening. Talking to others during a presentation is rude to the speaker and may cause them to lose their train of thought.

SOURCE: CO:082 Explain communication techniques that support and encourage a speaker

SOURCE: Robinson, L., Segal, J., & Smith, M. (2023, August 15). *Effective communication*. Retrieved September 18, 2023, from <https://www.helpguide.org/articles/relationships-communication/effective-communication.htm>

55. C

Work team. A work team is a group of employees who are responsible for carrying out an entire work process. This might include all the steps in producing a product, performing a service, or running a section of the business. A quality circle is a problem-solving group of coworkers who are given work situations or problems to study and discuss to recommend solutions to management. A project team is a team of employees from different parts of the company who are assigned to work together on a specific project. A short-term committee has an immediate goal, such as obtaining speakers for a conference.

SOURCE: EI:045 Participate as a team member

SOURCE: LAP-EI-045--Team Up (Participating as a Team Member)

56. A

Decrease. The higher interest rate will make it more expensive to borrow money, so fewer borrowers will be seeking loans while interest rates are high. The demand for money will not double or continue to increase. It will be affected so it cannot remain the same.

SOURCE: EC:084 Explain the economic impact of interest-rate fluctuations

SOURCE: Kramer, L. (2023, August 14). *How do governments fight inflation?* Retrieved September 18, 2023, from <https://www.investopedia.com/ask/answers/111314/what-methods-can-government-use-control-inflation.asp>

57. C

Make sure the project stays on track. During the execution-and-monitoring stage of project management, the actual work of the project is performed. The project manager's job at this point is to make sure the project stays on track and to take corrective measures if it doesn't. Delivering the final product occurs during the closing stage. Securing funding for the project is often the project champion's task and occurs before the project is authorized. Assigning roles to team members occurs during the planning-and-development stage.

SOURCE: OP:158 Explain the nature of project management

SOURCE: LAP-OP-158--Projected to Win (Nature of Project Management)

58. C

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

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

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

59. D

Maturity. A product life cycle is the course that a product follows in the market. It includes the stages of introduction, growth, maturity, and decline. Introduction is the stage of the product life cycle when the product first appears in the marketplace. Growth is the stage in the product life cycle in which sales rise rapidly. Maturity is the stage in the product life cycle in which sales peak and then increase at a slower rate or start to decline. Decline is the final stage of the product life cycle. During this stage, sales and profits fall rapidly. Birth, adolescence, and death are stages of the human life cycle.

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

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

60. D

Assortment. The retailer is reducing a discrepancy of assortment by making a variety of toys available in one place. Reducing a discrepancy of quantity means breaking down a large quantity of a product into smaller quantities for final consumers to buy. There is no such thing as a discrepancy of installation or a discrepancy of promotion.

SOURCE: CM:001 Explain the nature and scope of channel management

SOURCE: LAP-CM-001--Chart Your Channels (Channel Management)

61. A

Update the company's customer records. When customers change phone numbers and email addresses, move, or go out of business, a company needs to update its customer database to reflect the changes. A company with outdated customer information is more likely to experience financial losses. For example, a company may not be able to collect payment on overdue accounts if it cannot reach its customers by phone to follow up. Also, a company's promotional mailings are likely to be returned if it does not have current mailing addresses for its customers. In this situation, the company has wasted money in postage. The primary purpose of updating customer contact information is not to achieve sales quotas, determine the customers' buying intentions, or establish goodwill through public relations.

SOURCE: NF:002 Maintain customer records

SOURCE: Evans, D. (2020, February 28). *How to maintain your CRM database*. Retrieved September 18, 2023, from <https://www.yokelloocal.com/blog/how-to-maintain-your-crm-database>

62. A

To build customer confidence. Prospective customers pay attention to statements from experts in the field who are willing to recommend a product. They feel if the product satisfies the expert, it will satisfy them. The testimonial may not shorten the sales presentation, and that should not be the salesperson's intention. A testimonial ad cannot help predict what sales of a product will be or prove that it is a better buy than another product. Advertising campaigns do not necessarily guarantee the best buy.

SOURCE: SE:062 Acquire product information for use in selling

SOURCE: Patel, S. (2023, July 18). *The top 13 sales methodologies to consider for your business*. Retrieved September 19, 2023, from <https://mailshake.com/blog/sales-methodologies>

63. D

Line. These items are part of a product line, which is a group of related product items. Product items are individual goods or services that a business offers for sale. Product mix is the particular assortment, or variety, of products that a business offers in order to meet its market's needs and its company's goals.

SOURCE: PM:003 Explain the concept of product mix

SOURCE: LAP-PM-003--Mix & Match (The Nature of Product Mix)



64. A

Push. In addition to determining which promotional mix elements to emphasize when promoting their products, manufacturers must also decide to whom they want to promote their products. Producers who utilize push promotional strategies promote their products to intermediaries who then promote the products to customers. Rather than promoting their products to intermediaries, producers who adopt pull promotional strategies promote their products directly to the ultimate consumer or industrial user to generate customer interest in the products. Intermediaries then purchase the products from manufacturers to meet customer demand. Increasing and decreasing promotional strategies are fictitious terms.

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

SOURCE: LAP-PR-903--Spread the Word (Nature of the Promotional Mix)

65. C

Enables tracking of users' viewing and purchasing habits. Promotion is a term that refers to the various types of communications that marketers use to inform, persuade, or remind customers of their products. Technological advancements (e.g., internet) have made it possible for a business to track its customers' (visitors') behavior in relation to their website hits, inquiries, and purchases. The ability to track this online information often helps the business to determine its customers' needs and preferences, and to determine the best way to meet these needs and preferences. Because other factors influence a business's success, using the internet to promote products does not always increase annual sales volume or create a loyal customer base. Using the internet as one method of promotion does not necessarily mean that a business should reduce its traditional publicity efforts.

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

SOURCE: Linton, I. (2019, March 6). *Six benefits of internet marketing*. Retrieved September 18, 2023, from <https://smallbusiness.chron.com/six-benefits-internet-marketing-31382.html>

66. A

Children's advertising. Children are often the target of advertising because they have significant buying power and also influence the buying decisions of many adults. Advertising to children frequently becomes an ethical issue for businesses because messages that are suitable for adults may not be suitable for children. Businesses must be cautious not to take advantage of children by giving them information or making claims that they will not understand. Businesses have an ethical obligation to be fair and truthful when advertising to children. Brand positioning involves creating a certain image or impression of a brand as compared to those of competitors' brands. Integrated marketing is not an ethical issue. Personal selling is the form of promotion that determines client needs and wants and responds through planned, personalized communication that influences purchase decisions and enhances future business opportunities.

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

SOURCE: Brenner, M. (2017, November 27). *The ethics of marketing to children and teens*. Retrieved September 18, 2023, from <https://marketinginsidergroup.com/content-marketing/ethics-marketing-children-teens>

67. C

Types of products being advertised. Regulations regarding promotion differ throughout the world. When businesses want to promote their products in other countries, they need to be aware of different regulations. One regulatory factor often involves the types of products being advertised. For example, charities may not advertise on TV in the United Kingdom. In France, diet products may not be advertised on TV. The cost of media placement and the price of comparable products are not regulatory factors that affect promotion. Culture is not a regulatory factor; however, culture has an impact on the regulations that affect promotion on an international level.

SOURCE: PR:101 Describe the regulation of promotion

SOURCE: Studios Guy. (2023). *Factors that affect marketing and advertising*. Retrieved September 18, 2023, from <https://studiousguy.com/factors-affect-marketing-advertising>



68. A

Descriptive. Descriptive statistics are derived by summarizing information gathered from a sample of a population. Multivariate statistics are derived by analyzing two variables at the same time. Sequential and unilateral are not common terms used to define types of statistical information collected and analyzed by market researchers.

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

SOURCE: College of St. Benedict and St. John's University. (n.d.). *Descriptive statistics*. Retrieved September 18, 2023, from <http://www.physics.csbsju.edu/stats/descriptive2.html>

69. A

Handle. Salespeople demonstrate products to show customers how the products will solve customers' problems or meet their needs. Salespeople try to appeal to customers' senses by getting the product into the customers' hands and showing them how it works. Handling a product makes customers feel a sense of ownership and encourages them to buy. Having customers handle the product is more likely to encourage customers to buy than letting them watch the salesperson handle the product. The final objective of any demonstration is not just to have the customer admire or approve of the product but to purchase it.

SOURCE: SE:048 Explain the selling process

SOURCE: Robertson, K. (2021, January 8). *How to create a powerful sales presentation: Seven presentation tips for making a presentation that makes the sale*. Retrieved September 19, 2023, from <https://www.liveabout.com/how-to-create-a-powerful-sales-presentation-2948462>

70. B

Express warranty. An express warranty is a warranty that is written or expressed verbally. Because the salesperson verbally informed Abdul of the lifetime warranty and he signed a written contract, this is an example of an express warranty. An implied warranty is an unwritten, unspoken warranty understood by the customer and the seller that the product will perform as expected. A guarantee (often called a money-back guarantee) is a promise made to the consumer that a product's purchase price will be refunded if that product is not satisfactory. A strategy is a plan of action for achieving goals and objectives.

SOURCE: PM:020 Explain warranties and guarantees

SOURCE: LAP-PM-920--Promises, Promises (Warranties and Guarantees)

71. B

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

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

SOURCE: Hayes, A. (2022, August 23). *Word-of-mouth marketing: Meaning and uses in business*. Retrieved September 19, 2023, from <https://www.investopedia.com/terms/w/word-of-mouth-marketing.asp>

72. C

I am worthy of my own respect and the respect of others. To be assertive, you need to believe in your own worth, have self-respect, and expect respect from others. You do not have the right to express your feelings in any way you choose if it will offend or hurt others. Being able to ask others for help is a characteristic of assertiveness. It is not always possible to agree with everyone.

SOURCE: EI:008 Use appropriate assertiveness

SOURCE: LAP-EI-008--Assert Yourself (Assertiveness)

73. D

They are subtracted from the total of assets. To determine personal net worth, a person's assets are first totaled, and then personal liabilities are subtracted. Net worth does not appear as a subtotal and cannot be determined before liabilities are subtracted. It is not necessary to eliminate liabilities before calculating personal net worth.

SOURCE: FI:562 Determine personal net worth

SOURCE: Ganti, A. (2023, March 9). *Net worth: What it is and how to calculate it*. Retrieved September 18, 2023, from <https://www.investopedia.com/terms/n/networth.asp#toc-how-to-calculate-net-worth>

74. D

Makes the product appealing. Persuasive messages usually are intended to encourage someone to do something. In the case of a sales message, the goal usually is to persuade a customer to buy a product. To do this, the message should make the product appealing to the customer so the customer will understand the benefit of buying and want to buy. The sales message should persuade the customer to spend money. Persuasive sales messages are not intended to simply remind the customer of the product or discredit the competition. Persuasive messages should not use loaded language, which is often biased and stereotypical.

SOURCE: CO:031 Write persuasive messages

SOURCE: Gerard, Y. (2022, June 22). *How to write persuasive sales messages*. Retrieved September 18, 2023, from <https://www.linkedin.com/pulse/how-write-persuasive-sales-messages-yvonne-gerard>

75. C

Following company procedures. Policies are the general rules to be followed by company personnel. For example, a business owner may develop a policy that states the company will reimburse employees for certain business-related expenses. A procedure is the step-by-step process that personnel follow in performing a specific task. In the example, Luke was following certain steps to obtain reimbursement for out-of-pocket expenses that he incurred--obtaining and completing the appropriate form, attaching receipts, and submitting the documentation to his manager. In the example, Luke did not develop the policies, evaluate company feedback, or assess company guidelines.

SOURCE: CO:057 Analyze company resources to ascertain policies and procedures

SOURCE: Bizmanualz, Inc. (n.d.). *What's the difference between policies and procedures?* Retrieved September 18, 2023, from <https://www.bizmanualz.com/writing-policies-and-procedures/whats-the-difference-between-policies-and-procedures.html>

76. C

Thank the customer for coming. It is important to thank each customer for visiting or doing business with your company. Thanking customers makes them feel welcomed and appreciated, and they are more likely to work with your business in the future. Talking to a manager about the customer is likely unnecessary unless a question came up during your interaction with the customer. Preparing a sales report after interacting with each customer is inefficient and unnecessary. Sales reports are more likely to be prepared for an extended period of time such as a week, month, quarter, or year. Although rest breaks are important, it's not feasible to take a short break after every customer.

SOURCE: CR:004 Demonstrate a customer service mindset

SOURCE: LAP-CR-004--Set Your Mind to It (Customer Service Mindset)

77. D

False; identifying the real reason for the research can be a very difficult step. The reason that this is true is that the business cannot always identify a concern, situation, or problem accurately to determine what information it needs. While outside experts may be helpful in some cases, it is not always necessary to hire them. Usually, personnel within the business are in the best position to identify the reason why the business needs to use marketing research because of their familiarity with the business.

SOURCE: IM:010 Explain the nature of marketing research

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

78. A

A business's core values identify the beliefs that the business stands for. A corporate brand consists of all of the combined customer impressions and experiences associated with a particular company. Many different elements, including the company's core values, brand cues, brand personality, brand promise, and touch points, make up a corporate brand's identity. A business's core values, also known as its brand values, are the beliefs or qualities that a brand stands for and is built around. The first step of building a corporate brand involves defining the company's core values. Customer touch points, which are all the opportunities that businesses have to connect with customers and reinforce their brand values, occur before, during, and after sales transactions. Everyone in the company is responsible for corporate branding--not just the customer service representatives. Employees must understand and embrace the brand's values, personality, and promise for the corporate brand to take hold and be a success. Brand cues are elements that remind customers and employees of brands and their values. They appear throughout the workplace and community as well as in advertising.

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

SOURCE: Couchman, H. (2023). *The search for value: How to define clear brand values for your company*.

Retrieved September 18, 2023, from <https://fabrikbrands.com/how-to-define-brand-values>

79. A

Use white space. White space is blank space in a print advertisement that is unoccupied by text or illustrations. White space helps put focus on a specific aspect of an advertisement. Ollie could use white space to draw attention to one main feature in his ad. Changing fonts often is not necessarily a good design practice. Keeping his audience in mind and avoiding clashing colors are good design practices for Ollie to follow, but they are not necessarily related to drawing attention to a specific feature of an ad.

SOURCE: PR:251 Explain the importance of coordinating elements in advertisements

SOURCE: Stribely, M. (2023). *10 rules of composition all designers live by*. Retrieved September 19, 2023, from <https://www.canva.com/learn/visual-design-composition>

80. C

Stress. Worry and fatigue tense both physical and mental muscles. Stress blocks the flow of creative ideas. Limiting code of behavior is a pattern of behavior that limits creativity because people become convinced that a problem is unavoidable and don't look for solutions. People who need to be right the first time can't take the chance of being wrong. Creativity requires people to explore alternatives and to take risks. Creative people need to avoid limiting the number and quality of ideas by being critical.

SOURCE: PD:012 Demonstrate appropriate creativity

SOURCE: LAP-PD-012--Imagine That (Demonstrating Creativity)

81. C

Misleads customers about the true value of a product. Deceptive pricing is an illegal pricing tactic because it misleads customers about the true value of a product. An example of deceptive pricing is setting a high price on a product and then advertising a big discount which actually reduces the price to a realistic, or normal, level. Customers buy the item because they think they are saving money when, in fact, they are paying what the item is actually worth. Price lining involves selling products at a limited number of predetermined price points. Variable pricing involves changing prices according to current demand. Promotional pricing involves offering special prices on certain products such as discontinued items. These pricing activities are not illegal.

SOURCE: PI:017 Explain legal considerations for pricing

SOURCE: McCormick, M. (2017, May 30). *Are your prices ethical?* Retrieved September 18, 2023, from <https://blog.blackcurve.com/are-your-prices-ethical>

82. B

Report it to your supervisor. All unsafe conditions, unsafe acts, and injuries should be reported immediately to the appropriate supervisor. Employees should never try to fix a hazard if they don't know how to repair it. Using a tool that is not in good working order endangers you and others. Asking a coworker for help will not solve the problem.

SOURCE: OP:007 Follow safety precautions

SOURCE: Atlantic Training. (n.d.). *Workplace safety tips: A comprehensive resource*. Retrieved September 18, 2023, from <https://www.atlantictraining.com/safety-tips/workplace-safety-tips.php>

83. B

Classified advertising. This type would be best to sell the display case because the ad can be put into an appropriate category, such as used business equipment. The ad would also be at a low cost, and no illustration is needed. Display advertising is more expensive because it uses one or more elements such as illustrations, headlines, variations in type and white space. Classified display advertising includes illustrations/special typeset in addition to the ad. Special advertising usually consists of notices such as public and legal notices.

SOURCE: PR:007 Explain types of advertising media

SOURCE: LAP-PR-007--Ad-quipping Your Business (Types of Advertising Media)

84. C

Connects the brand with customers. A corporate brand's story is all about communicating the company's image and connecting with customers. Entertaining customers and having fun as a company are not the main reasons for telling a brand story. Telling the brand's story is a way to communicate the corporate brand; it does not eliminate the need for a corporate brand.

SOURCE: PM:206 Explain the nature of corporate branding

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

85. B

Place. The store is making goods and services available at the place (location) they are wanted or needed by consumers. Time utility is making products available at the time they are wanted or needed by consumers. Form utility is altering or changing the form or shape of a product to make it more useful to the consumer. Possession utility is created when the ownership of a product is transferred from the seller to the person who will use it.

SOURCE: EC:004 Determine economic utilities created by business activities

SOURCE: LAP-EC-013--Use It (Economic Utility)

86. B

Promotion. Promotion is a marketing function that communicates information about goods, services, images, and/or ideas to achieve a desired outcome. To successfully sell its product, a business needs to coordinate all the components of marketing, which include distribution, promotion, product, and price. For example, if a business develops an effective distribution system but fails to promote the product, customers will not know about the product or want it, although it is readily available. Operations is the business function that handles the day-to-day activities necessary to run the business. Production is the operations activity that involves the creation of goods and services from economic resources. Training is a human resources activity.

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

SOURCE: BYJU'S (2023). *What is promotion? Types of promotion*. Retrieved September 18, 2023, from <https://byjus.com/commerce/what-is-promotion>

87. C

The use of toxic chemicals in the environment can result in the extinction of many species of waterfowl. This example indicates that the extinction of waterfowl (the end result or effect) is caused by the use of toxic chemicals (the cause). The public supports increased spending on national security, and a survey reports that over 70% of the citizens fear future terrorist attacks--this is an example of the use of a generalization with an example method of presentation organization. Monet and Cezanne were both impressionist artists; however, their painting techniques and use of color varied greatly--this is an example of the compare and contrast method of presentation organization. An example of the enumeration method of presentation organization is as follows: We will discuss the basic steps used in developing effective time management techniques, and the first step is to prioritize all of your commitments.

SOURCE: CO:025 Make oral presentations

SOURCE: Fulton, S. (2006-2023). *How to use cause and effect in presentation storytelling*. Retrieved September 18, 2023, from <https://ethos3.com/use-cause-effect-presentation-storytelling>

88. D

Better overall risk management. Most businesses depend on the continuous flow of supplies to survive; if this flow is interrupted because of issues with a vendor, problems for the company will follow. Evaluating vendor performance ensures that the vendor is reaching company expectations, and makes sure that the vendor is delivering quality supplies within the desired time frame. This reduces potential risks for the company. Evaluating vendor performance leads to fewer defects in the supply chain--not more. When a company evaluates its vendors, it increases the communication between company and vendor, usually leading to more cooperation from the vendor, not less.

SOURCE: OP:162 Evaluate vendor performance

SOURCE: Xometry. (2023, February 9). *5 key factors to consider when conducting a supplier evaluation*. Retrieved September 18, 2023, from <https://www.xometry.com/resources/procurement/conducting-a-supplier-evaluation>

89. D

Test the safety of their products. Every business has the responsibility of producing and offering safe, quality products. If businesses fail to be sensitive to the well-being of their product users, the businesses will probably fail. Providing safe working environments and offering job training are ways businesses can be socially responsible to their employees. Contributing to community causes demonstrates social responsibility toward the community.

SOURCE: EC:070 Explain the role of business in society

SOURCE: LAP-EC-070--Business Connections (Business and Society)

90. A

Migration. Migration is a population trend that indicates movement of people throughout the country as well as into and out of the country. Migration trends are important to businesses because businesses need to know where their customers are located. For example, many people are leaving colder climates and migrating to what is considered the Sunbelt. This movement affects businesses because the types of products they sell and the way they sell them will change. Also, the increased migration of ethnic groups into the country creates a need for new goods and services that meet the needs of a multicultural population. Lifestyle, consumption, and behavior are not population trends; however, these factors also affect how businesses market their goods and services.

SOURCE: NF:013 Describe current business trends

SOURCE: Cromwell, J. (n.d.). *Do changes in population as well as changes in lifestyle directly affect business operations?* Retrieved September 18, 2023, from <https://smallbusiness.chron.com/changes-population-well-changes-lifestyle-directly-affect-business-operations-34395.html>

91. D

Empathy. Empathy is the ability to put yourself in another person's place or to relate to the feelings, thoughts, and experiences of other people. Respect is honor and esteem. Perspective is the way in which people view life. Understanding is the ability to comprehend or to think and learn.

SOURCE: EI:030 Show empathy for others

SOURCE: LAP-EI-030--Have a Heart (Showing Empathy for Others)

92. C

Maturity. During the maturity phase, sales peak and then slowly start to decline. Because there are more competitors that market similar products, a business uses advertising to remind customers about its goods and services. Businesses often make small changes to their products to make them appealing to the market's evolving needs and wants. This might involve adding new sizes or colors to the existing product line. During the decline phase, sales drop sharply, and businesses tend to reduce advertising. Obsolescence, which is the state of being outdated or unfashionable, occurs during the decline phase of the product's life cycle. At this point, businesses determine whether to continue to offer the product. Businesses communicate that their products are available during the introduction phase.

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

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

93. B

Check processing. The technology of electronic funds transfer makes it possible for customers to pay invoices electronically so the cash is transferred from their bank account to the business's bank account. This eliminates the need for the business to handle checks, fill out deposit slips, and send the checks to the bank for processing. The cash is available immediately, and the business does not need to wait for a check to be processed before it can access the funds. The use of electronic funds transfer to collect accounts receivable does not eliminate liquidity reporting, sales discounting, or payee outsourcing.

SOURCE: FI:352 Explain the use of technology in accounting

SOURCE: EBANX. (n.d.). *Electronic funds transfer (EFT)*. Retrieved September 18, 2023, from <https://www.ebanx.com/en/resources/payments-explained/electronic-funds-transfer-eft>



94. B

Burden of proof. It's important to keep good records because you are responsible for proving the expenses you deduct on your tax return. This includes things like bills, receipts, and cancelled checks. Von carefully files these items so that they can be easily found. Responsibility to prove, record burden, and tax return proof are not commonly used terms.

SOURCE: NF:014 Monitor internal records for business information

SOURCE: IRS. (2023, May 2). *Recordkeeping*. Retrieved September 18, 2023, from <https://www.irs.gov/businesses/small-businesses-self-employed/recordkeeping>

95. B

Place. The place element of marketing involves shipping, handling, and storing of items and determining when and where they will be available. Getting products to destinations faster inevitably means paying extra money. This extra cost to the company will become part of the product's price. Product decisions involve deciding what goods, services, or ideas to produce or to sell to satisfy customers' needs and wants. Packaging is not one of the four P's of marketing but the enclosing of products in appropriate wrappings or containers. Promotion is a marketing function which communicates information about goods, services, images, or ideas to customers or clients.

SOURCE: PI:001 Explain the nature and scope of the pricing function

SOURCE: LAP-PI-001--The Price Is Right (Nature of Pricing)

96. D

Public relations. People in public relations are in charge of creating a good image for their business or organization. Part of this includes writing and sending out press releases. Marketers in marketing research, marketing operations, and customer service do not generally write press releases.

SOURCE: PD:024 Explain employment opportunities in marketing

SOURCE: LAP-PD-024--Career Opportunities in Marketing

97. A

Based on past experiences. Customers' service expectations can often be based on past experiences. If a customer has received customer service from you before, they will expect the same quality of service from you now. Customers can also compare your service to past service they've received from competitors. Customers' service expectations are not dependent on the needs of others--instead, they are dependent on individual needs. Customer service expectations are not one size fits all. They are affected by promotion.

SOURCE: SE:076 Explain the role of customer service as a component of selling relationships

SOURCE: LAP-SE-076--Go Beyond the Sale (Customer Service in Selling)

98. C

A wholesaler sells candy to a concession stand. A wholesaler selling candy to a concession stand is an example of a product being sold to an organization for resale. A retailer selling a small refrigerator to a coffee shop is an example of a product being sold for use in general business operations. A farmer selling produce to a restaurant is an example of a product being sold to an organization for use in producing other goods. A potter selling pottery at a flea market is an example of a product being sold directly to the user for ultimate consumption.

SOURCE: SE:017 Explain the nature and scope of the selling function

SOURCE: LAP-SE-017--Sell Away (The Nature and Scope of Selling)

99. A

They are afraid of risk. Many business professionals are reluctant to generate new product ideas. Some are worried about the unknowns and risks that come with new products. Some are not good at thinking "outside the box." Others are afraid to voice new product ideas due to criticism and ridicule that their ideas may attract from close-minded coworkers and supervisors. Lateral thinkers, who typically are good at thinking outside the box and like to explore, are likely to generate and share their ideas.

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

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

100. D

Coding. Coding is the process of assigning a numeric value to the various responses on a marketing questionnaire or survey. Once the responses are coded, researchers are able to tabulate the responses, rate the agreement to each answer, and compute a total score. Coding helps researchers determine the importance of various responses or types of data. Editing, interpreting, and formulating do not involve assigning numeric value to marketing information.

SOURCE: IM:062 Explain techniques for processing marketing data

SOURCE: McGee, V. (2023, September 7). *What is coding and what is it used for?* Retrieved September 18, 2023, from <https://www.computerscience.org/resources/what-is-coding-used-for>