Chapter 14 Communicating Customer Value: Integrated Marketing Communication Strategy

1) A company's total marketing communications mix consists of a special blend of advertising,
sales promotion, public relations, personal selling, and direct-marketing tools that the company
uses to communicate customer value and build customer relationships. This is also called

A) Direct marketing B) Integrated marketing C) The promotion mix D) Competitive marketing E) Target marketing Answer: C Diff: 1 Page Ref: 402 AACSB: Communication Skill: Concept Objective: 14-1 2) The use of short-term incentives to encourage the purchase or sale of a product or service is called . A) Direct marketing B) Sales promotions C) Personal selling D) Public relations E) Publicity Answer: B Diff: 2 Page Ref: 402 AACSB: Communication Skill: Concept Objective: 14-1 3) Any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor is called . A) Sales promotion B) Advertising C) Direct marketing D) Personal selling E) Public relations Answer: B Diff: 1 Page Ref: 402

AACSB: Communication

- 4) Which of the five major promotion tools includes building up a positive corporate image and handling unfavorable stories and events?
- A) Sales promotion
- B) Personal selling
- C) Direct marketing
- D) Public relations
- E) Advertising

Answer: D

Diff: 2 Page Ref: 402 AACSB: Communication

Skill: Concept Objective: 14-1

- 5) Which of the following is NOT a major category in a company's promotion mix?
- A) Sales promotion
- B) Strategic positioning
- C) Direct marketing
- D) Public relations
- E) Advertising

Answer: B

Diff: 2 Page Ref: 402 AACSB: Communication

Skill: Concept Objective: 14-1

- 6) Which major promotion category makes use of catalogs, telephone marketing, kiosks, and the Internet?
- A) Sales promotion
- B) Direct marketing
- C) Publicity
- D) Public relations
- E) Advertising

Answer: B

Diff: 2 Page Ref: 402 AACSB: Communication

- 7) Which major promotion category makes use of displays, discounts, coupons, and demonstrations?
- A) sales promotion
- B) direct marketing
- C) publicity
- D) public relations
- E) advertising Answer: A
- Diff: 2 Page Ref: 403 AACSB: Communication
- Skill: Concept Objective: 14-1
- 8) The promotion mix is the company's primary communication activity; the marketing mix must be coordinated for the greatest communication impact. What is NOT included in the entire marketing mix?
- A) product
- B) competitor
- C) price
- D) place
- E) promotion Answer: B

Diff: 2 Page Ref: 403 Skill: Concept Objective: 14-1

- 9) Mass-media advertising routinely involves a company investing millions or even billions of dollars to reach tens of ______ of customers with a single ad.
- A) billions
- B) thousands
- C) millions
- D) hundreds
- E) tens

Answer: C

Diff: 1 Page Ref: 403 AACSB: Communication

10) Today's consumers do not need to rely on marketer-supplied information about products and
services because they can use to seek out a wealth of information.
A) public relations
B) direct marketing
C) the Internet and other technologies
D) mass market media
E) informative advertising
Answer: C
Diff: 1 Page Ref: 403
AACSB: Use of IT
Skill: Concept
Objective: 14-2
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11) Which of the following is NOT a factor in the changes occurring in today's marketing
communications?
A) Mass markets have fragmented, and marketers are shifting away from mass marketing.
B) Improvements in communication technologies are changing how companies and customers
communicate with each other.
C) Companies routinely invest millions of dollars in the mass media.
D) Mass media no longer capture the majority of promotional budgets.
E) Today's consumers are better informed about products and services.
Answer: D
Diff: 3 Page Ref: 403
AACSB: Communication
Skill: Concept
Objective: 14-2
12) Moving away from, marketers have been shifting toward highly focused
marketing, spawning a new generation of more specialized and highly targeted communications
efforts.
A) mass marketing
B) advertising
C) direct marketing
D) pull strategies
E) push strategies
Answer: A
Diff: 2 Page Ref: 403
AACSB: Communication
Skill: Concept
Objective: 14-2
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13) Which of the following is NOT an example of a specialized and highly-targeted media that an advertiser might use to reach smaller customer segments? A) cable television channels B) e-mail C) podcasts D) network television E) online social networks Answer: D Diff: 2 Page Ref: 404 AACSB: Use of IT Skill: Concept Objective: 14-2
14) Companies are doing less and more as a result of an explosion of more focused media that better match today's targeting strategies. A) marketing; media B) media; sales C) narrowcasting; broadcasting D) broadcasting; narrowcasting E) advertising; word-of-mouth Answer: D Diff: 2 Page Ref: 404 AACSB: Communication Skill: Concept Objective: 14-2
15) In the "chaos scenario" predicted by some advertising industry experts, the old mass-media communications model will be abandoned in favor of A) public relations B) direct marketing C) push and pull strategies D) the possibilities of new digital technologies E) buzz marketing Answer: D Diff: 2 Page Ref: 404 AACSB: Use of IT Skill: Concept Objective: 14-2

- 16) All of the following are reasons that marketers are losing confidence in television advertising EXCEPT which one?
- A) TV ad spending is rising at a slower rate than online ad spending.
- B) TV and other mass media still capture the lion share of promotional budgets.
- C) Many viewers are using video on demand and TiVo-like systems.
- D) Younger consumers are using different media.
- E) TV audience size is on the decline.

Answer: B

Diff: 3 Page Ref: 404 AACSB: Communication

Skill: Concept Objective: 14-2

- 17) Companies often fail to integrate their various communications to consumers because
- A) historically, consumers have been able to distinguish between message sources
- B) advertising departments are reluctant to work with public relations professionals
- C) communications often come from different parts of the company
- D) personal selling and sales promotion are in direct conflict
- E) they have failed to understand the concept of brand contact

Answer: C

Diff: 2 Page Ref: 405 AACSB: Communication

Skill: Concept Objective: 14-2

- 18) All too often companies today have failed to _____ their various communications channels, resulting in a hodgepodge of communications to consumers.
- A) promote
- B) rechannel
- C) integrate
- D) open
- E) verify

Answer: C

Diff: 1 Page Ref: 405 AACSB: Communication

19) Consumers today receive commercial messages from a broad range of sources. However,
consumers the way marketers do.
A) don't distinguish between message sources
B) are able to differentiate among messages sources
C) don't care about buzz marketing
D) are not able to block out messages
E) block them all out
Answer: A
Diff: 2 Page Ref: 405
AACSB: Communication
Skill: Concept
Objective: 14-2
20) More companies are adopting the concept of, which carefully integrates and coordinates the company's many communication channels to deliver a clear, consistent, and compelling message about the organization and its brands. A) Integrated marketing communications
B) Integrated personal selling
C) Integrated competitive methods
D) Non-personal communication channels
E) Buzz marketing
Answer: A
Diff: 3 Page Ref: 405
AACSB: Communication
Skill: Concept
Objective: 14-2
21) Advertising, sales promotion, personal selling, public relations, and direct marketing are all
A) communications channels that should be integrated under the concept of integrated marketing
communications
B) communications channels focused more on narrowcasting than broadcasting
C) promotional tools used for push strategies but not pull strategies
D) promotional tools used for pull strategies but not push strategies
E) promotional tools adapted for use in mass marketing
Answer: A
Diff: 2 Page Ref: 405
AACSB: Communication
Skill: Concept
Objective: 14-2

22) Integrated marketing communications require a company's mass-market advertisements, Web site, e-mail, and personal selling communications to all have A) Equal portions of the advertising budget B) Independent communications directors C) Separate marketing objectives D) The same target audience E) The same message, look, and feel Answer: E Diff: 2 Page Ref: 406 AACSB: Communication Skill: Concept Objective: 14-2
23) To produce better communications consistency, a unified company image, and greater sales impact, some companies employ a(n)
A) advertising agency
B) marketing communications director
C) public relations specialist
D) personal sales force
E) media planner
Answer: B
Diff: 2 Page Ref: 407
AACSB: Communication
Skill: Concept
Objective: 14-2
24) Integrated marketing communications produces better communications and
greater impact.
A) consistency; sales
B) sales; consistency
C) marketing; sales
D) variety; production
E) branding; quality
Answer: A
Diff: 2 Page Ref: 407
AACSB: Communication
Skill: Concept
Objective: 14-2

25) Today, marketers are moving toward viewing communications as managing the over time. A) advertising agency B) nonpersonal communication channels C) word-of-mouth influence D) customer relationship E) product life cycle Answer: D Diff: 2 Page Ref: 407 AACSB: Communication Skill: Concept Objective: 14-3
26) Integrated marketing communications involves identifying the target audience and shaping a well-coordinated to elicit the desired audience response. A) pull strategy B) push strategy C) promotional program D) opinion leader E) target market Answer: C Diff: 2 Page Ref: 407 AACSB: Communication Skill: Concept Objective: 14-3
27) Using integrated marketing communications, the communications process should start with .
A) advertising strategy B) the competitive-parity method C) public relations D) an audit of all the potential customer touch points E) publicity Answer: D Diff: 3 Page Ref: 408 AACSB: Communication Skill: Concept Objective: 14-3

28) Which of the following is NOT one of the four major communication functions?
A) feedback
B) encoding
C) noise
D) response
E) decoding
Answer: C
Diff: 2 Page Ref: 408
AACSB: Communication
Skill: Concept
Objective: 14-3
29) The communication channel a company uses to move its advertising messages from sender
to receiver is called the
A) message
B) media
C) encoder
D) communicator
E) feedback loop
Answer: B
Diff: 2 Page Ref: 408
AACSB: Communication
Skill: Concept
Objective: 14-3
30) The receiver assigns meaning to the symbols encoded by a company in its advertisements
through a process known as
A) disencoding
B) feedback
C) acknowledgement
D) decoding
E) response
Answer: D
Diff: 2 Page Ref: 408
AACSB: Communication
Skill: Concept
Objective: 14-3

31) In the communication process, the reaction of the receiver after being exposed to a message
is called the
A) response
B) answer
C) noise
D) feedback
E) decoding
Answer: A
Diff: 1 Page Ref: 409
AACSB: Communication
Skill: Concept
Objective: 14-3
32) When a customer lets a producer know something about its products or advertising, the
customer is providing
A) decoding
B) noise
C) feedback
D) encoding
E) reverse marketing
Answer: C
Diff: 2 Page Ref: 409
AACSB: Communication
Skill: Concept
Objective: 14-3
33) A consumer is reading a magazine with an advertisement, but is distracted from reading the
advertisement or its key points. This unplanned static or distortion during the communication
process is called
A) noise
B) distraction
C) feedback
D) response
E) decoding
Answer: A
Diff: 2 Page Ref: 409
AACSB: Communication
Skill: Concept
Objective: 14-3

B) overlaps with; effective C) connects with; ineffective D) coincides with; creative E) departs from; direct Answer: B Diff: 3 Page Ref: 409 AACSB: Communication Skill: Concept Objective: 14-3
35) To communicate effectively, a marketing communicator must the consumer's field of experience. A) compete with B) share
C) understand D) create
E) reference
Answer: C
Diff: 2 Page Ref: 409
AACSB: Communication
Skill: Concept
Objective: 14-3
36) Marketing communicators must be good at messages that take into account how
the target audience them.
A) delivering; encodes
B) sending; encodes
C) encoding; decodes
D) retrieving; perceives
E) decoding; receives
Answer: C
Diff: 3 Page Ref: 409 AACSB: Communication
Skill: Concept
Objective: 14-3

37) Marketing communicators must do all of the following EXCEPT A) identify the target audience B) deliver products to the customer C) determine the communication objectives D) collect feedback E) choose the media through which to send a message Answer: B Diff: 2 Page Ref: 409 AACSB: Communication Skill: Concept Objective: 14-3
38) The six stages that consumers normally pass through on their way to making a purchase include awareness, knowledge, liking, preference, conviction, and purchase. A) personal readiness B) buyer-readiness C) objective readiness D) purchase direct readiness E) supplier readiness Answer: B Diff: 2 Page Ref: 409 Skill: Concept Objective: 14-3
39) The six buyer-readiness stages include all of the following EXCEPT A) awareness B) knowledge C) power D) liking E) hesitation Answer: E Diff: 2 Page Ref: 409 Skill: Concept Objective: 14-3
40) In the model of buyer-readiness stages, the first stage is A) preference B) knowledge C) liking D) awareness E) insistence Answer: D Diff: 1 Page Ref: 409 Skill: Concept Objective: 14-3

- 41) All of the following are strategies a marketer would use to lead consumers into making the final step toward a purchase EXCEPT which one? A) offer special promotional prices B) offer add-on features C) offer premiums D) use extensive "teaser" advertising E) C or D Answer: D Diff: 3 Page Ref: 410 AACSB: Communication Skill: Concept Objective: 14-3 42) A message showing a product's quality, economy, value, or performance is called a(n) appeal. A) structural B) rational C) emotional D) moral E) standard Answer: B Diff: 2 Page Ref: 411 AACSB: Communication Skill: Concept Objective: 14-3 43) Marketers using humor in their messages claim that they attract more attention and create more loyalty and belief in the brand. This type of message is called a(n) A) rational B) structural C) emotional D) moral
- Answer: C Diff: 2 Page Ref: 411 AACSB: Communication

Skill: Concept Objective: 14-3

E) standard

44) Though a popular appeal, when used poorly can define quickly wear out its welcome, overshadow the product, or even it A) humor B) nonpersonal communication C) direct marketing D) integrated marketing E) noise Answer: A Diff: 3 Page Ref: 411 AACSB: Communication Skill: Concept Objective: 14-3	
45) Moral appeals are directed to the audience's sense of what is A) proper B) affordable C) traditional D) positive E) emotional Answer: A Diff: 2 Page Ref: 411 AACSB: Communication Skill: Concept Objective: 14-3	"right" and
46) The communicator must decide how to handle message structo or not. A) draw a conclusion B) make a moral appeal C) use the pull strategy D) use the push strategy E) avoid competitors Answer: A Diff: 3 Page Ref: 411 AACSB: Communication Skill: Concept Objective: 14-3	eture issues. One issue is whether

47) A(n) argument is only likely to be effective when the audience is highly educated or likely to hear opposing claims, or when the communicator has a negative association to overcome. A) two-sided B) one-sided C) moral D) emotional E) scientific Answer: A Diff: 3 Page Ref: 412 AACSB: Communication
Skill: Concept
Objective: 14-3
48) In designing the message structure, marketers must decide whether to present the
arguments first or last in a message.
A) emotional B) etructural
B) structural C) moral
D) strongest
E) scientific
Answer: D
Diff: 2 Page Ref: 411
AACSB: Communication
Skill: Concept
Objective: 14-3
49) The two broad types of channels are personal and nonpersonal.
A) marketing
B) competitive
C) communication
D) buyer
E) seller
Answer: C
Diff: 1 Page Ref: 412
AACSB: Communication
Skill: Concept
Objective: 14-3

50) Communication through the mail is categorized as a(n) communication channel. A) nonpersonal B) word-of-mouth C) personal D) objective E) inefficient Answer: C Diff: 2 Page Ref: 412 AACSB: Communication Skill: Concept Objective: 14-3
51) Creating word-of-mouth campaigns by cultivating opinion leaders and getting them to spread information about a product or service to others in their communities is known as A) sales promotion B) indirect marketing C) buzz marketing D) stealth marketing E) public relations Answer: C Diff: 1 Page Ref: 413 AACSB: Communication Skill: Concept Objective: 14-3
52) Nonpersonal communication channels include major media,, and events. A) sales calls B) buzz marketing C) atmospheres D) word of mouth E) e-mail Answer: C Diff: 2 Page Ref: 413 AACSB: Communication Skill: Concept Objective: 14-3

53) Vast numbers of consumers are aware of your product. It is now your goal to enhance
preference for your product. You plan to use nonpersonal communications through print media.
This will include all of the following EXCEPT .
A) newspapers
B) magazines
C) Internet "chats"
D) direct mail
E) catalogs
Answer: C
Diff: 1 Page Ref: 413
AACSB: Communication
Skill: Concept
Objective: 14-3
54) To, a marketer can ask target audience members whether they remember the
message, how many times they saw it, and what points they remember.
A) select a message source
B) collect feedback
C) select a message channel
D) plan a media purchase
E) design a marketing appeal
Answer: B
Diff: 2 Page Ref: 414
AACSB: Communication
Skill: Concept
Objective: 14-3
55) from marketing communications may suggest changes in the promotion program
or in the product offer itself.
A) Encoding
B) Decoding
C) Feedback
D) Noise
E) Shelter
Answer: C
Diff: 2 Page Ref: 414
AACSB: Communication
Skill: Concept
Objective: 14-3

56) Companies use all of the following methods to set their advertising budget EXCEPT the
A) objective-and-task method B) integrated method C) competitive-parity method D) percentage-of-sales method E) affordable method Answer: B Diff: 1 Page Ref: 415 Skill: Concept Objective: 14-4
57) Using the method for setting an advertising budget, the company starts with total revenues, deducts operating expenses and capital outlays, and then devotes some portion of the remaining funds to advertising. A) integrated B) moving-average C) competitive-parity D) percentage-of-sales E) affordable Answer: E Diff: 2 Page Ref: 415 Skill: Concept Objective: 14-4
58) Though the method of setting an advertising budget is simple to use and helps management think about the relationships among promotion spending, selling price, and profit per unit, it wrongly views sales as the cause of promotion rather than the result. A) percentage-of-sales B) affordable C) competitive-parity D) objective-and-task E) regression Answer: A Diff: 2 Page Ref: 415 Skill: Concept Objective: 14-4

59) Which method of setting an advertising budget is based on analyzing competitors' spending? A) percentage-of-sales method B) affordable method C) competitive-parity method D) objective-and-task method E) regression method Answer: C Diff: 2 Page Ref: 416 Skill: Concept Objective: 14-4
60) Perhaps the most logical budget-setting method is the method because it is based on spending necessary to accomplishing specific promotion goals. A) percentage-of-sales B) affordable C) competitive-parity D) objective-and-task E) exponential smoothing Answer: D Diff: 2 Page Ref: 416 Skill: Concept Objective: 14-4
61) Advertising has some shortcomings. What is NOT one of them? A) It is impersonal. B) It can be very costly. C) It slowly reaches many people. D) It carries on one-way communication with the audience. E) It does not make audience members feel the need to respond. Answer: C Diff: 3 Page Ref: 417 AACSB: Communication Skill: Concept Objective: 14-4
62) is the company's most expensive promotion tool. A) Advertising B) Personal selling C) Mass media D) Public relations E) Publicity Answer: B Diff: 3 Page Ref: 417 Skill: Concept Objective: 14-4

- 63) Which promotional tool is most effective in building up buyers' preferences, convictions, and, most importantly, actions?
- A) mass-market advertising
- B) personal selling
- C) segmented advertising
- D) sales promotion
- E) public relations

Answer: B

Diff: 2 Page Ref: 417 AACSB: Communication

Skill: Concept Objective: 14-4

- 64) Sales promotion features a wide assortment of tools. Which of the following is <u>NOT</u> one of these tools?
- A) contests
- B) premiums
- C) catalogs
- D) coupons
- E) cents-off deals

Answer: C

Diff: 2 Page Ref: 417 AACSB: Communication

Skill: Concept Objective: 14-4

- 65) "Buy it now" is the message of _____.
- A) personal selling
- B) advertising
- C) a nonpersonal communication channel
- D) sales promotion
- E) publicity Answer: D

Diff: 2 Page Ref: 417 AACSB: Communication

consists of strong short-term incentives that invite and reward quick responses from customers. A) A patronage reward B) A segmented promotion C) Advertising D) Sales promotion E) Publicity Answer: D Diff: 1 Page Ref: 417 AACSB: Communication Skill: Concept Objective: 14-4 is very believable because news stories, features, sponsorships, and events seem more real and believable to readers than ads do. A) The competitive-parity method B) Public relations C) Personal communication D) Nonpersonal communication E) Personal selling Answer: B Diff: 2 Page Ref: 417 AACSB: Communication Skill: Concept Objective: 14-4 68) Which promotional tool is described as nonpublic, immediate, customized, and interactive? A) segmented advertising B) sales promotion C) direct marketing D) brand contacts E) public relations Answer: C

Diff: 2 Page Ref: 418 AACSB: Communication

69) Which promotional mix strategy directs marketing efforts toward final consumers? A) pull B) blitz C) push D) buzz E) pulse Answer: A Diff: 1 Page Ref: 418 AACSB: Communication Skill: Concept Objective: 14-4
70) Which promotional mix strategy directs marketing efforts toward market channel members? A) pull B) blitz C) push D) buzz E) pulse Answer: C Diff: 1 Page Ref: 418 AACSB: Communication Skill: Concept Objective: 14-4
71) Business-to-consumer companies are more likely to emphasize a promotion strategy, while business-to-business companies are more likely to emphasize a promotion strategy. A) pull; push B) push; pull C) pulse; pull D) continuity; pulse E) pulse; continuity Answer: A Diff: 1 Page Ref: 418 AACSB: Communication Skill: Concept Objective: 14-4

- 72) Which of the following is LEAST important for integrating a firm's marketing communications?
- A) analyze internal and external trends
- B) audit the pockets of communications spending throughout the organization
- C) identify all customer touch points for the company and its brands
- D) study the competitor's communications and promotions
- E) create performance measures for all communications elements

Answer: D

Diff: 3 Page Ref: 420-421 AACSB: Communication

Skill: Concept Objective: 14-4

- 73) Bait-and-switch advertising
- A) attracts buyers under false pretenses
- B) is unethical
- C) is illegal
- D) is deceptive
- E) all of the above

Answer: E

Diff: 1 Page Ref: 421

AACSB: Ethical Reasoning

Skill: Concept Objective: 14-4

- 74) Which of the following would be classified as bait-and-switch advertising?
- A) advertising a cheaper brand but only making a more expensive one available to customers
- B) raising a product's prices
- C) attempting to charge less for a brand than for manufacturers' brands
- D) advertising service packages that cannot actually be provided
- E) favoring certain customers over others through trade promotions

Answer: A

Diff: 2 Page Ref: 421

AACSB: Ethical Reasoning

75) A company's salespeople should always follow the rules of A) high-pressure selling B) societal marketing C) competition D) fair competition E) cooling-off Answer: D Diff: 2 Page Ref: 422
AACSB: Ethical Reasoning
Skill: Concept
Objective: 14-4
76) A.Y. McDonald, a manufacturer of pumps and plumbing valves, employs regional salespeople to sell its products to wholesalers and cities. This is an example of A) sales promotion B) personal selling C) public relations D) direct marketing E) advertising Answer: B Diff: 1 Page Ref: 402 AACSB: Reflective Thinking Skill: Application Objective: 14-1
77) Tara Keegan owns Live Well, a small chain of health stores offering a variety of natural health products and related services. In order to implement integrated marketing communications, Tara has hired a marketing communications director, whose job it will be to ensure that each will deliver a consistent and positive message about the company. A) public relations message B) brand contact C) advertisement D) logo E) media vehicle Answer: B Diff: 2 Page Ref: 406 AACSB: Reflective Thinking Skill: Application
Objective: 14-1

78) Harpo Enterprises maintains the Oprah Winfrey show, a Web site, and O magazine. Because
Harpo Enterprises practices integrated marketing communications, these different brand contacts
all maintain in design and tone.
A) variety
B) contact
C) consistency
D) creativity
E) convenience
Answer: C
Diff: 1 Page Ref: 405
AACSB: Reflective Thinking
Skill: Application
Objective: 14-2
79) Delia's is a clothing retailer that targets teenage girls. It runs coordinated promotions for its catalogs, Web site, and retail outlets. It uses the same models in its catalog and in its print ads as well as on its Web site. Delia's works to make sure its public relations activities as well as its sales promotions harmonize with its advertising in all venues. From this information, you can infer that Delia's is using A) buzz marketing B) experiential marketing C) integrated marketing communication D) word of mouth marketing E) database marketing Answer: C Diff: 1 Page Ref: 406 AACSB: Reflective Thinking Skill: Application Objective: 14-2
80) HP's advertising agency assembles words and illustrations into an advertisement that will convey the company's intended brand message. In the communication process, HP is A) messaging B) encoding C) sending D) decoding
E) responding
Answer: B
Diff: 1 Page Ref: 408
AACSB: Communication
Skill: Application
Objective: 14-3

81) The decision to use a cleaning genie to communicate the strength and power of Mr. Clean cleaning liquid is representative of the process of the communication model. A) sourcing B) encoding C) signifying D) decoding E) messaging Answer: B Diff: 2 Page Ref: 408 AACSB: Communication Skill: Application Objective: 14-3
82) In the communication process, an actual HP printer/fax machine advertisement is called
A) encoding B) decoding C) noise D) the message E) the medium Answer: D Diff: 2 Page Ref: 408 AACSB: Communication Skill: Application Objective: 14-3
83) An ad for Maybelline age-minimizing makeup in <i>Ladies' Home Journal</i> magazine featured actress Melina Kanakaredes and offered readers a \$1-off coupon when they try the new makeup. In terms of the communication model, the sender of this message is A) Melina Kanakaredes B) <i>Ladies' Home Journal</i> C) readers who redeem the \$1-off coupon D) Maybelline E) the target market to whom Melina Kanakaredes appeals Answer: D Diff: 2 Page Ref: 408 AACSB: Reflective Thinking Skill: Application Objective: 14-3

- 84) An ad for Maybelline age-minimizing makeup in *Ladies' Home Journal* magazine featured actress Melina Kanakaredes and offered readers a \$1-off coupon when they try the new makeup. In terms of the communication model, the medium of this ad is _____.

 A) Melina Kanakaredes

 B) *Ladies' Home Journal*C) readers who redeem the \$1-off coupon
- D) Maybelline
 E) the target market to whom Melina Kanakaredes appeals

Answer: B

Diff: 1 Page Ref: 408

AACSB: Reflective Thinking

Skill: Application Objective: 14-3

- 85) An ad for Maybelline age-minimizing makeup in *Ladies' Home Journal* magazine featured actress Melina Kanakaredes and offered readers a \$1-off coupon when they try the new makeup. In terms of the communication model, which of the following would be the best way for the source to measure feedback?
- A) the number of subscribers to Ladies' Home Journal
- B) the number of people make up the target market
- C) the number of people who redeem the coupon
- D) the number of people who were exposed to the ad
- E) the number of people to whom Melina Kanakaredes is an appealing spokesperson

Answer: C

Diff: 2 Page Ref: 409 AACSB: Analytic Skills

Skill: Application Objective: 14-3

- 86) Mercy University's initial ads for the school's new MBA program are most likely intended to create _____.
- A) liking
- B) awareness
- C) preference
- D) insistence
- E) conviction

Answer: B

Diff: 2 Page Ref: 409 AACSB: Communication

87) When a car-maker wants to introduce a new model, it is most likely to began with an
extensive advertising campaign to create name familiarity and interest.
A) sales promotion
B) competitive
C) teaser
D) moral appeal
E) two-sided
Answer: C
Diff: 3 Page Ref: 409
AACSB: Communication
Skill: Application
Objective: 14-3
88) An example of a(n) appeal is the Salvation Army appeal, "While you were trying
to figure out what to get the man who has everything, don't forget the man who has nothing."
A) emotional
B) awareness
C) rational
D) moral
E) standard
Answer: D
Diff: 2 Page Ref: 411
AACSB: Reflective Thinking
Skill: Application
Objective: 14-3
90) Which of the fellowing represent(s) a two sided masses 2
89) Which of the following represent(s) a two-sided message?
A) Listerine tastes bad twice a day. B) Heinz Ketchup is slow good.
,
C) Etonic athletic shoes are built so you can last. D) A and B
E) none of the above
Answer: D
Diff: 1 Page Ref: 412
AACSB: Reflective Thinking
Skill: Application
Objective: 14-3
Objective. 14-3

- 90) A manufacturer of a variety of technological devices asked its marketing department to develop inexpensive methods of building and maintaining brand awareness and excitement. The marketing department then recruited consumers who were early adopters of technological devices to spread the word about the company's new products. This is an example of _____.
- A) public service activities
- B) nonpersonal marketing
- C) buzz marketing
- D) sales promotion
- E) direct marketing

Answer: C

Diff: 3 Page Ref: 413

AACSB: Reflective Thinking

Skill: Application Objective: 14-3

- 91) Toward the end of the fiscal year, the owner of a small company came back from lunch concerned because he had learned that a business targeted to the same customers as his was planning on spending \$150,000 on promotion. As soon as he arrived at the office, he called his financial manager and said, "I want to budget \$150,000 for next year's promotion." Which method of promotional budgeting did the owner want to use?
- A) the objective-task method
- B) the percentage-of-sales method
- C) the competitive-parity method
- D) the bottom-up method
- E) the pull-push method

Answer: C

Diff: 2 Page Ref: 416

AACSB: Reflective Thinking

Skill: Application Objective: 14-4

92) An e-mail from Amazon.com offers free shipping on your next purchase of more than \$35.

This is an example of . . .

- A) sales promotion
- B) personal selling
- C) public relations
- D) an advertising objective
- E) a push strategy

Answer: A

Diff: 2 Page Ref: 417

AACSB: Reflective Thinking

- 93) Mariah Goldberg, a marketing manager for a manufacturer of children's toys, is looking for ways to reach potential customers who typically avoid salespeople and advertisements. Which of the following would be the most economical promotional tool for Mariah to use?
- A) sales promotion
- B) personal selling
- C) public relations
- D) direct marketing
- E) brand contacts

Answer: C

Diff: 3 Page Ref: 417

AACSB: Reflective Thinking

Skill: Application Objective: 14-4

- 94) A newspaper article announced that VoiceStream Wireless, the nation's sixth-largest wireless carrier, was changing its name to T-Mobile and that to begin the makeover process it had replaced spokesperson Jamie Lee Curtis with Catherine Zeta-Jones. Of which element of the promotion mix is this an example?
- A) sales promotion
- B) advertising
- C) public relations
- D) personal selling
- E) product Answer: C

Diff: 2 Page Ref: 417

AACSB: Reflective Thinking

Skill: Application Objective: 14-4

- 95) Clean and Clear, a large producer of all-natural hair care and beauty products, is most likely to use which of the promotion mix strategies to gain increased shelf space in stores and to gain increased customer sales?
- A) push
- B) pull
- C) push and pull
- D) pulse
- E) continuity

Answer: C

Diff: 2 Page Ref: 418

AACSB: Reflective Thinking

- 96) An ad in a professional journal targeted to an audience of dentists asked dentists to recommend Crest toothpaste to their patients. It offered toothpaste samples that dentists could buy at cost to give to their patients to encourage patients to take better care of their teeth. The manufacturer of Crest toothpaste was using
- A) personal selling
- B) direct marketing
- C) a push strategy
- D) a pull strategy
- E) public relations

Answer: C

Diff: 2 Page Ref: 418

AACSB: Reflective Thinking

Skill: Application Objective: 14-4

- 97) Glasis is a type of paint made specifically for use on cars. An ad in *Motor Trend* magazine advising consumers to request their body shops use Glasis paint is an example of how a company
- A) word of mouth influence
- B) public relations
- C) buzz marketing
- D) a push strategy
- E) a pull strategy

Answer: E

Diff: 2 Page Ref: 418

AACSB: Reflective Thinking

Skill: Application Objective: 14-4

- 98) A maker of vitamin drinks wants to compete with the leading brands in the category and has decided to use a heavy push strategy, putting most of the brand's marketing budget into trade and consumer sales promotion. Which of the following is a potential disadvantage of this approach?
- A) A new marketing communications model is quickly replacing mass marketing.
- B) Mass media campaigns are increasingly more expensive.
- C) It may be difficult to identify meaningful product differences in advertising.
- D) Retail giants may be reluctant to respond to the strategy.
- E) The strategy may spark a spiral of price-slashing that will undercut the brand's future for short-term gains.

Answer: E

Diff: 3 Page Ref: 419 AACSB: Analytic Skills

Refer to the scenario below to answer the following questions.

John Mayes opened Sparkle Janitorial in 1999. John began by acquiring two contracts for office cleaning services from two local manufacturing facilities. For two years, John and his wife, Barb, performed the cleaning services alone. After acquiring three additional cleaning contracts in 2001, John hired two employees.

"Up to that point, we had room to grow but we really had no advertising plan," John stated. "We were relying mostly on word-of-mouth."

By 2003, Barb hired another two full-time employees to begin Sparkle's new endeavor: carpet cleaning in homes and offices. "Competition was getting tough for both of our services at that point," Barb added. "We ran a local radio spot three times each week. Then we had an advertiser print coupons on placemats. That gave us a little more exposure."

John and Barb Mayes admit that they never realized the value of a sound promotional plan before now. "We wish we would have put together something catchy with a jingle way before now," they said.

- 99) Which of the following would be the LEAST effective way for John and Barb to reach new potential customers?
- A) word-of-mouth influence
- B) buzz marketing
- C) public relations
- D) network television advertising
- E) direct marketing

Answer: D

Diff: 2 Page Ref: 417 AACSB: Analytic Skills

Skill: Application Objective: 14-4

100) In a recent radio spot, John and Barb gave a quick explanation of Sparkle's cleaning process and a description of the value consumers receive for their money. This is an example of a(n)

- A) emotional appeal
- B) standard appeal
- C) rational appeal
- D) moral appeal
- E) social appeal

Answer: C

Diff: 2 Page Ref: 411

AACSB: Reflective Thinking

101) A company's marketing communications mix is also called its promotion mix.

Answer: TRUE Diff: 1 Page Ref: 402 AACSB: Communication

Skill: Concept Objective: 14-1

102) Sales promotion makes use of press releases and special events.

Answer: FALSE Diff: 2 Page Ref: 403 AACSB: Communication

Skill: Concept Objective: 14-1

103) Though mass marketing was effective in past decades, large companies no longer routinely invest large chunks of their advertising budgets in mass-media outlets such as television and magazines.

Answer: FALSE Diff: 2 Page Ref: 403 AACSB: Communication

Skill: Concept Objective: 14-2

104) Mass markets have fragmented; thus, marketers are shifting away from mass marketing.

Answer: TRUE Diff: 1 Page Ref: 403 AACSB: Communication

Skill: Application Objective: 14-2

105) Vast improvements in information technology are speeding the movement toward segmented marketing.

Answer: TRUE

Diff: 3 Page Ref: 403 AACSB: Use of IT Skill: Concept Objective: 14-2

106) New communications technologies such as cell phones and the Internet give companies new media for interacting with targeted consumers, but these new technologies also give consumers more control of the advertising messages they receive.

Answer: FALSE Diff: 2 Page Ref: 403 AACSB: Use of IT Skill: Concept Objective: 14-2 107) Mass marketers can expect consumers to distinguish between commercial message sources to maintain a clear image of a company and its brands.

Answer: FALSE Diff: 2 Page Ref: 405 AACSB: Communication

Skill: Concept Objective: 14-2

108) The integrated marketing concept ties together all of the company's messages and images.

Answer: TRUE Diff: 1 Page Ref: 405 AACSB: Communication

Skill: Concept Objective: 14-2

109) Integrated marketing communications allows brand messages to be developed by different departments within an organization.

Answer: FALSE Diff: 2 Page Ref: 406 AACSB: Communication

Skill: Concept Objective: 14-2

110) A marketing communications director has overall responsibility for the company's communications efforts.

Answer: TRUE Diff: 2 Page Ref: 407 AACSB: Communication

Skill: Concept Objective: 14-2

111) The communications process should start with mass media advertising to reach many consumers.

Answer: FALSE Diff: 2 Page Ref: 408 AACSB: Communication

Skill: Concept Objective: 14-3

112) The four major communication functions are encoding, decoding, response, and noise.

Answer: FALSE Diff: 2 Page Ref: 408 AACSB: Communication

113) Encoding is the process by which the receiver assigns meaning to symbols.

Answer: FALSE Diff: 2 Page Ref: 408 AACSB: Communication

Skill: Concept Objective: 14-3

114) Decoding is the process of putting thought into symbolic form.

Answer: FALSE Diff: 2 Page Ref: 408 AACSB: Communication

Skill: Concept Objective: 14-3

115) Awareness, knowledge, and preparation are buyer-readiness stages.

Answer: FALSE Diff: 2 Page Ref: 409 Skill: Concept

Objective: 14-3

116) "Teaser" advertising is most closely associated with the buyer-readiness stage of liking a

product.

Answer: FALSE Diff: 3 Page Ref: 409 Skill: Application Objective: 14-3

117) There are three types of appeal from which marketers may choose as they design their message content. These types are rational, emotional, and moral appeals.

Answer: TRUE Diff: 2 Page Ref: 411 AACSB: Communication

Skill: Concept Objective: 14-3

118) The "Stop. Think. Tylenol." ad is an example of a moral appeal.

Answer: FALSE Diff: 2 Page Ref: 411

AACSB: Reflective Thinking

119) Advertisements for prescription drugs often feature potential benefits and negative side effects that consumers may experience with use of the medication. These ads present two-sided arguments.

Answer: TRUE Diff: 1 Page Ref: 411 AACSB: Communication

Skill: Application Objective: 14-3

120) Buzz marketing involves cultivating opinion leaders and getting them to spread information about a product or service to others in their communities.

Answer: TRUE Diff: 1 Page Ref: 413 AACSB: Communication

Skill: Concept Objective: 14-3

121) The percentage-of-sales method wrongly views sales as the cause of promotion rather than the result.

Answer: TRUE

Diff: 2 Page Ref: 415

Skill: Concept Objective: 14-4

122) The affordable method sets promotion budgets to match competitors' outlays.

Answer: FALSE Diff: 2 Page Ref: 415

Skill: Concept Objective: 14-4

123) Large-scale advertising conveys a positive message about the seller's size, popularity, and success.

Answer: TRUE

Diff: 2 Page Ref: 417 AACSB: Communication

Skill: Concept Objective: 14-4

124) If the pull strategy is effective, consumers will then demand the product from channel members, who will in turn demand it from producers.

Answer: TRUE Diff: 2 Page Ref: 418

125) A recent trend toward more push than pull in the mixes of consumer-goods companies may achieve short-run sales at the expense of brand equity.

Answer: TRUE Diff: 3 Page Ref: 418 AACSB: Analytic Skills

Skill: Application Objective: 14-4

126) A company's marketing communications mix • also called its promotion mix • blends five different parts. Name and define these parts.

Answer: Advertising is any paid-for or nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor. Sales promotion includes short-term incentives to encourage the purchase or sale of a product or service. Public relations includes building good relations with the company's various publics by obtaining favorable publicity, building up a good corporate image, and handling or heading off unfavorable rumors, stories, or events. Personal selling includes a personal presentation by the firm's sales force for the purpose of making sales and building customer relationships. Direct marketing includes direct connections with carefully targeted individual consumers to obtain an immediate response and cultivate lasting customer relationships the uses of telephone, mail, the Internet, and other tools to communicate directly with specific customers.

Diff: 2 Page Ref: 402 AACSB: Communication

Skill: Concept Objective: 14-1

127) Why are profound changes in marketing communications creating both exciting and scary times for marketing communicators?

Answer: In the past, marketers relied heavily on mass marketing. Today, however, mass markets have fragmented, consumers are better informed and sweeping changes in technology have changed how companies and consumers communicate with each other. These three factors have led to a new marketing communications model that is specialized to reach smaller customer segments with messages that are more personalized. Mass marketing can no longer be solely relied upon to deliver a marketer's message. Although these changes may frighten marketing communicators, these changes afford tremendous opportunities to reach new customers and strengthen relationships with existing customers.

Diff: 3 Page Ref: 403 AACSB: Analytic Skills

128) Explain the concept of integrated marketing communications (IMC).

Answer: IMC calls for recognizing all contact points where the customer may encounter the company and its brands. A company wants to deliver a consistent and positive message with each contact. IMC ties together all of the company's messages and images, avoiding the confusion that can arise from customers receiving varied messages from a variety of media.

Diff: 1 Page Ref: 405 AACSB: Communication

Skill: Application Objective: 14-2

129) Name and define the four major communication functions.

Answer: Encoding is the process of putting thought into symbolic form. Decoding is the process by which the receiver assigns meaning to the symbols encoded by the sender. In addition, response refers to the reactions of the receiver after being exposed to the message. Feedback is the part of the receiver's response communicated back to the sender.

Diff: 2 Page Ref: 408 AACSB: Communication

Skill: Application Objective: 14-3

130) The background for a Benadryl allergy medication ad appearing in the magazine *Better Homes and Gardens* shows green grass and lovely flowers. The headline states "Benadryl is 54 percent more effective than the leading prescription." At the bottom of the ad, in small print, is an explanation of how the effectiveness of Benadryl was determined. The ad also shows a package of Benadryl so consumers can easily recognize it at the store. Identify the different components of the communication model for this advertisement.

Answer: The marketers of Benadryl are the sender. These marketers encoded their ideas into the actual message, which includes the images and text of the advertisement. The medium for this communication is the page in *Better Homes and Gardens*. The receiver is anyone reading the magazine who sees this page of advertising; the receiver may or may not decode the message in the way the marketers intended. Noise could pop up at any stage of the communication process.

Diff: 1 Page Ref: 408 AACSB: Communication

131) Outline the steps in developing effective marketing communications.

Answer: In preparing marketing communications, the marketer's first task is to identify the target audience and its characteristics. Next, the market has to determine the communication objectives and define the response sought, whether it is awareness, knowledge, liking, preference, conviction, or purchase. Then a message should be constructed with an effective content and structure. Media must be selected, both for personal and nonpersonal communication. The marketer should find highly credible sources to deliver messages. Finally, the communicator must collect feedback by watching how much of the market becomes aware, tries the product, and is satisfied in the process.

Diff: 3 Page Ref: 409 AACSB: Communication

Skill: Application Objective: 14-3

132) Describe the six buyer-readiness stages along with marketing strategies that may be used at each stage.

Answer: The six buyer-readiness stages are awareness, knowledge. liking, preference, conviction, and purchase. A marketer might use "teaser" ads to create interest and curiosity at the awareness stage. Next, marketers want to inform potential buyers of the product's high quality and its many features. Beyond knowledge, marketers want to move consumers to have stronger feelings about the product, going from liking to preference to conviction, or believing that a product is the best for them. A combination of promotion tools can be used to create positive feelings and a customer connection with the brand. The final stage is purchase, which marketers may influence through the use of premiums, add-ons, or rebates.

Diff: 3 Page Ref: 409 AACSB: Analytic Skills

Skill: Application Objective: 14-3

133) Describe four common methods used to set the total budget for advertising.

Answer: Using the affordable method, a company sets a promotion budget at the level it thinks it can afford. Using the percentage-of-sales method, a company sets a promotion budget at a certain percentage of current or forecasted sales. Using the competitive-parity method, a company sets a promotion budget based on competitors' outlays. Using an objective-and-task method, a company sets a promotion budget based on what it wants to accomplish with promotion.

Diff: 2 Page Ref: 415-416 AACSB: Analytic Skills

134) Marketers can choose from two basic promotion mix strategies—push promotion or pull promotion. Compare these two strategies.

Answer: Using the pull strategy, the producer directs its marketing activities toward final consumers to induce them to buy the product; if the pull strategy is effective, consumers will then demand the product from channel members who will in turn demand it from producers. Using a push strategy, the producer focuses instead on the channel members, persuading them to carry the product and promote it to final consumers.

Diff: 2 Page Ref: 418 AACSB: Analytic Skills

Skill: Application Objective: 14-4

135) Explain how advertising may change as a product moves from the introductory stage to the growth stage of the product life cycle.

Answer: Because there may be little awareness or little information generated about products in the introductory stage of the life cycle, marketers may spend large amounts of promotional dollars toward creating awareness. As the product moves into the growth stage, many competitors may enter the market in an attempt to move the product out of the way; in such cases, marketers may continue spending large amounts of promotional dollars for advertising. However, at this point, the marketer may decide to attempt to persuade consumers to buy based on specific product or company attributes, or to compare their product with competing products in an attempt to convince consumers that their product is superior. At the decline stage, advertising is kept at a reminder level.

Diff: 3 Page Ref: 420 AACSB: Analytic Skills

Skill: Application Objective: 14-4

136) How are advertising and direct marketing different?

Answer: Advertising is the nonpersonal promotion of ideas, goods, or services, while direct marketing is the promotion of ideas, goods, or services to carefully targeted individuals.

Diff: 2 Page Ref: 402 AACSB: Analytic Skills

Skill: Application Objective: 14-1

137) How can marketers benefit from media fragmentation?

Answer: Media fragmentation is represented through an explosion of more focused media that better match today's targeting strategies; media fragmentation allows the marketer to better reach the targeted consumers through more specific media options.

Diff: 2 Page Ref: 403 AACSB: Analytic Skills

138) Why do some marketers predict a marketing "chaos scenario"?

Answer: Some experts believe that the traditional mass-media communications will cease to exist and will be entirely replaced by new digital technologies that permit more targeted and personalized marketing.

Diff: 2 Page Ref: 404 AACSB: Analytic Skills

Skill: Application Objective: 14-2

139) Why should a company be concerned about integrating communications from different sources within the company?

Answer: Customers won't separate conflicting or varying messages from different sources within a company, so failing to integrate communications could lead to blurred consumer brand perceptions.

Diff: 2 Page Ref: 405 AACSB: Analytic Skills

Skill: Application Objective: 14-2

140) How do integrated marketing communications (IMC) build brand identity?

Answer: IMC builds brand identity and strong customer relationships by tying together all of the company's messages and images.

Diff: 2 Page Ref: 406 AACSB: Communication

Skill: Application Objective: 14-2

141) Why is the consumer's field of experience of interest to a marketer?

Answer: The marketing communicator must understand the consumer's field of experience in order to create promotional messages that will be decoded as the sender intends them to be understood.

Diff: 3 Page Ref: 409 AACSB: Communication

Skill: Concept Objective: 14-3

142) In the communication process, what is noise and why is it important?

Answer: Noise is the unplanned static or distortion during the communication process, which results in the receiver getting a different message than the one the sender sent. The consumer is distracted and misses the key point.

Diff: 1 Page Ref: 409 AACSB: Communication

143) Describe the three types of appeals marketers use.

Answer: Rational appeals relate to the consumer's self-interest; emotional appeals attempt to stir up either positive or negative emotions; moral appeals are directed to the consumer's sense of what is "right" and "proper."

Diff: 3 Page Ref: 411 AACSB: Communication

Skill: Application Objective: 14-3

144) What role does message format play in print advertisements?

Answer: In a print ad, for example, the headline, copy, illustrations, and color are critical. To attract attention, the advertiser may use novelty, contrasts, or eye-catching headlines.

Diff: 1 Page Ref: 412 AACSB: Communication

Skill: Application Objective: 14-3

145) Why do marketers value opinion leaders?

Answer: Opinion leaders are people whose opinions are sought by others. Marketers rely on opinion leaders to positively influence the spread of product or service acceptance through a market.

Diff: 1 Page Ref: 413 AACSB: Communication

Skill: Application Objective: 14-3

146) Explain how the message source affects consumers' perceptions of the message.

Answer: The message source will affect how the consumer perceives the message. For example, highly credible sources • such as certain newspapers • will be more persuasive. In some cases, the use of celebrity testimonials works well to persuade consumers to make the purchase.

Diff: 2 Page Ref: 414 AACSB: Communication

Skill: Application Objective: 14-3

147) When is it most advisable to predominantly use advertising in a promotion mix?

Answer: Advertising works well when the marketer's goal is to reach geographically dispersed groups of consumers. In addition, advertising works well when the marketer wants to control the intended message geared toward a specific group of consumers. Advertising also allows the marketer to repeat a message many times.

Diff: 2 Page Ref: 416-417 AACSB: Communication

148) When is it advisable to predominantly use personal selling in a promotion mix? Answer: Personal selling works well when the marketer's goal is to build up buyers' preferences, convictions, and actions. Personal selling allows marketers to build personal relationships with the prospective buyers and allows marketers to provide demonstrations directly to an intended audience. Many industrial companies prefer personal selling to other promotional tools.

Diff: 2 Page Ref: 417 AACSB: Communication

Skill: Application Objective: 14-4

149) When is it advisable to predominantly use sales promotions in a promotion mix?

Answer: Sales promotions are used to invite and reward quick response. Sales promotions are short-lived; therefore, sales promotions are used when the marketer intends to make a quick, dramatic impact on an intended audience with the use of coupons, samples, contest, etc.

Diff: 2 Page Ref: 417 AACSB: Communication

Skill: Application Objective: 14-4

150) Describe the FTC three-day cooling off rule.

Answer: The three-day cooling-off rule gives special protection to customers who are not seeking products. Under this rule, customers who agree in their own homes to buy something costing more than \$25 have 72 hours in which to cancel a contract or return merchandise and get their money back, no questions asked.

Diff: 3 Page Ref: 422

AACSB: Ethical Reasoning