# 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.

**CAUTION:  Posting these materials on a website is a copyright violation.**

1. Businesses and individuals grant _____ for many things, including technological and intellectual information, formulas, music, and inventions.
   - A. royalties
   - B. operating agreements
   - C. licenses
   - D. exclusive distributorships

2. Gum and breath mints are typically available at any store because marketers for these products try to make them available at all possible outlets. This is an example of _____ distribution.
   - A. intensive
   - B. selective
   - C. mild
   - D. exclusive

3. Which of the following is the most common distribution channel for consumer goods:
   - A. Wholesaler to producer to retailer to ultimate consumer
   - B. Producer to wholesaler to retailer to ultimate consumer
   - C. Retailer to agent to ultimate consumer to producer
   - D. Producer to ultimate consumer to agent to retailer

4. Larissa continues to purchase apparel from her favorite online clothing company because it allows her to digitally follow the shipment's progress. What is this technological feature called?
   - A. Customer service
   - B. Inventory control
   - C. Order tracking
   - D. Starbursting

5. A large retailer informs a small manufacturer that no further orders will be issued unless the manufacturer offers a significant price discount. This threat is an example of
   - A. a slotting allowance.
   - B. the gray market.
   - C. coercion.
   - D. libel.

6. Tara helps distribute her company's products to customers by making sure each product is in the best location for customer access and purchase. This is an example of how Tara coordinates channel management with which component of the marketing mix?
   - A. Product
   - B. Price
   - C. Promotion
   - D. Place

7. Two retailers selling pet supplies compete to sell the same manufacturer's product to the same target market. This competition is an example of
   - A. horizontal conflict.
   - B. vertical conflict.
   - C. dual distribution.
   - D. multiple distribution.

8. A credit card company works with a sports team to create a new credit card branded with the sports team logo in an appeal to fans. This collaboration between the two parties is an example of a(n)
   - A. forced association.
   - B. hybrid structure.
   - C. affinity partnership.
   - D. merger.

9. Maya paid close attention to her instructor's social studies lesson. This is an example of using active listening to
   - A. increase satisfaction.
   - B. form an opinion.
   - C. connect with others.
   - D. gather information.

10. Which of the following is an ineffective form of nonverbal communication to use while giving an oral presentation:
    - A. Moving around the stage
    - B. Facial expressions
    - C. Swaying back and forth
    - D. Hand gestures

11. Nia, the manager of a large group of employees in her company, is responsible for planning the annual holiday party. To determine which toppings her employees like on their pizza, Nia created an online survey for her team to complete with the options cheese, pepperoni, sausage, meat lovers, veggie, and other. She wants to know how many employees prefer each specific topping and compare the totals of each selection. So, she created a graph that represents the totals across two axes. What type of graph did Nia create?
    A.  Bar graph
    B.  Pie chart
    C.  Line graph
    D.  Table

12. Maisy has a new business and wants to make sure customers and potential customers are familiar with the company and its products. Maisy wants to create
    A.  a brand promise.
    B.  brand loyalty.
    C.  brand awareness.
    D.  a brand slogan.

13. Capital goods reflect the state of _____ that exists in society.
    A.  technology
    B.  goodwill
    C.  farmland
    D.  motivation

14. A company is planning to close up shop in town and move its facilities to an overseas location where labor and taxes are cheaper. However, hundreds of employees will be left jobless as a result of the move. When customers hear about the plan, they decide not to support a company they now see as disloyal and only concerned with money. This is an example of which consequence of unethical behavior?
    A.  Potential jail time
    B.  Exposure to lawsuits
    C.  Increased internal problems
    D.  Negative public image

15. Which of the following is a problem associated with market economies:
    A.  Businesses compete by producing cheaply made products.
    B.  Individuals have more money to spend because the government charges high taxes.
    C.  Consumers decide what will be produced by casting economic votes.
    D.  Workers are paid based on the quantity of production.

16. The government can attempt to fight inflation by
    A.  lowering the prime interest rate.
    B.  spending more on goods and services.
    C.  restricting the amount of money in circulation.
    D.  increasing wages.

17. Companies A, B, and C meet secretly and agree to coordinate their prices. This is an example of
    A.  price fixing.
    B.  black market pricing.
    C.  predatory pricing.
    D.  price discrimination.

18. Wesley notices that his friend is upset, but he isn't sure why. He decides to use his _____ to make a reasonable judgment about why his friend might be troubled.
    A.  critical-thinking skills
    B.  self-control
    C.  empowerment
    D.  victim mentality

19. Nonjudgmental, immediate, and nonthreatening are all characteristics of
    A.  positive feedback.
    B.  constructive criticism.
    C.  destructive criticism.
    D.  internal feedback.

20. When diverse perspectives, experiences, and strengths are present in the workplace, it allows for
    A.  more collaboration and sympathy.
    B.  higher employee salaries.
    C.  increased company sales.
    D.  greater creativity and innovation.

21. Alfredo sets up a meeting with his team and includes the date, time, and location in his email. This example illustrates which of the Four C's of effective communication?
    A. Concise
    B. Complete
    C. Correct
    D. Convenient

22. By looking at things from the other person's point of view and explaining why they should care about what you're saying, you are
    A. promoting benefits.
    B. making it personal.
    C. stating your case.
    D. using body language.

23. Which of the following investments uses a manager who is responsible for deciding which investments to pursue:
    A. Mutual fund
    B. Real estate
    C. Money market account
    D. Bond

24. Which type of accountant prepares, analyzes, and verifies financial data for a variety of clients, including the government and corporations?
    A. Managerial
    B. Financial
    C. Nonprofit
    D. Public

25. Amy started an online clothing store that sells custom-printed shirts, pants, hats, and other accessories. She invested $2,000 of her own money and borrowed another $3,000 from her parents before making a sale. According to the accounting equation, how much money does Amy have in assets?
    A. $6,000
    B. $1,000
    C. $5,000
    D. $3,000

26. Halle alters a few numbers on her spreadsheet to impress a potential client. No one notices, so over the years, she adjusts the figures more frequently and in larger amounts. Eventually, a coworker notices the discrepancies and reports the fraud to upper management, and Halle is fired. In this situation, Halle's decision-making was impacted by
    A. self-interest.
    B. rationalization.
    C. playing the devil's advocate.
    D. incrementalism.

27. John and two of his colleagues will be attending a business conference out of state on behalf of their company. As a result, the company accountant created a budget that outlines the approximate cost to send the three employees to the conference. This document is an example of a(n)
    A. sales invoice.
    B. fact.
    C. sales forecast.
    D. estimate.

28. Joelle learns of an interesting marketing report while listening to her daily business podcast. This source is an example of
    A. data processing.
    B. marketing research.
    C. marketing intelligence.
    D. internal data.

29. Sally forgot to do the research that she usually does every month. Instead of being honest with her supervisor, she decided to make up the data. Unfortunately, this led her supervisor to make some uninformed decisions that hurt the business and its customers. This example demonstrates
    A. the importance of following the rule of law.
    B. problems that occur when marketers are objective.
    C. how ethics do not matter in marketing-information management.
    D. the need for ethics in marketing-information management.

30. Claire publishes regular content on her business's website about its products and their benefits to customers. At the end of each piece, readers can leave comments and share their thoughts, which Claire finds very helpful when conducting marketing research. What technological tool is Claire using to collect information?
    A. Search engine
    B. Company blog
    C. Database
    D. Social media page

31. A clothing store's management team notices that interest around their brand was lower than expected last quarter. To learn why, the store hired an independent researcher to create a qualitative survey that will allow customers to share their opinions of the store and its products. The survey was emailed to its existing customers and is included at the bottom of each receipt. This is an example of _____ research.
    A. predictive
    B. descriptive
    C. causal
    D. exploratory

32. Deelish Soft Drinks is preparing to launch a new line of juice, but it doesn't want its competitors to find out before the announcement. When performing marketing research on potential flavors, Deelish Soft Drinks should
    A. consult its vendors and suppliers.
    B. focus on secondary research.
    C. use a marketing research firm.
    D. obtain quantitative data.

33. A research team is studying a company's past sales invoices, expense reports, and other company records during a marketing research project. The research team is looking at
    A. primary data.
    B. secondary data.
    C. units of analysis.
    D. relevant variables.

34. Which of the following statements about marketing research projects is most accurate:
    A. The research design must match the purpose of the research project.
    B. Every research project should begin with exploratory research.
    C. Exploratory and descriptive research should be used for each research project.
    D. Test marketing is essential to the success of a research project.

35. Which of the following is included in a sampling plan:
    A. The budget
    B. The skip interval
    C. The sampling ratio
    D. The sample size

36. Data can be sorted into two categories—primary data and _____ data.
    A. unusable
    B. tertiary
    C. principal
    D. secondary

37. Which of the following are methods that businesses can use to collect quantitative data:
    A. Observation, surveys, and experiments
    B. Surveys, tracking, and experiments
    C. Focus groups, tracking, and personal interviews
    D. Personal interviews, focus groups, and observation

38. "Do you love our amazing support team?" is an example of what type of survey question?
    A. Leading
    B. Open-ended
    C. Neutral
    D. Double-barreled

39. After collecting survey responses, Charles-Clair labels and organizes the qualitative data to identify themes and patterns from respondents' feedback. What is Charles-Clair doing?
    A. Estimating
    B. Innovating
    C. Coding
    D. Sampling

40. Michael leads a study on the growth process of oak trees because he wants a better understanding of local nature. This study is an example of _____ research.
    A. applied
    B. basic
    C. action
    D. evaluation

41. 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 is an open-ended question that limits the respondent's answer.
    D. It uses unfamiliar terminology that could confuse respondents.

42. Good marketing research uses _____ and provides _____.
    A. a single method; value to decision makers
    B. multiple methods; value to decision makers
    C. multiple methods; as much information as possible
    D. a single method; as much information as possible

43. You are asked by a colleague where marketing occurs. The best answer would be that marketing occurs
    A. in businesses.
    B. everywhere.
    C. online.
    D. at school.

44. When developing the place element of the marketing mix, marketers consider which of the following factors:
    A. How the product might affect the business's image
    B. How to bring in the revenue that their business needs
    C. The manufacturer from which to buy the product
    D. The most appropriate medium for an advertisement

45. Which of the following is a disadvantage of segment marketing:
    A. It can communicate a broad message to a large audience.
    B. It is more precise than mass marketing.
    C. It aims to identify and meet customers' specific needs.
    D. It takes more resources to pull off successfully.

46. Which of the following company goals is time-bound:
    A. To increase market share by 5% by the end of the fiscal year
    B. To identify 10 wholesale and retail intermediaries to be channel members
    C. To determine how many hours each part-time employee worked last week
    D. To decrease production costs of the XYZ widget by 12%

47. Businesses use environmental scanning to keep track of _____ changes and factors impacting the company.
    A. highly regulated
    B. internal
    C. eco-friendly
    D. external

48. Which of the following is a characteristic of qualitative sales forecasting:
    A. It is based on expert opinion.
    B. It has a high level of accuracy.
    C. It is based on numerical data.
    D. It is based on past sales records.

49. After hearing an odd grinding noise while driving, Gary took his company car to the local auto repair shop to get it looked at. The mechanic used a software program to diagnose the problem. This program is an example of a(n)
    A. expert system.
    B. database.
    C. computer-aided design.
    D. Voice over Internet Protocol.

50. Which of the following is a key reason why it is important for businesses to keep promotional records:
    A. To discuss reasons for an employee's promotion
    B. To maintain adequate inventory levels
    C. To time their promotions appropriately
    D. To document employees' regular and overtime wages

51. After surveying its customers for a two-month period, a business sees that its products are most popular among middle-aged women with higher yearly incomes. The data the business received from the survey are an example of which type of information collected during an environmental scan?
    A. Government                              C. Economy
    B. Society and culture                     D. Demographics

52. Aneeq works at a small grocery store and realizes that some of the food has been stored at the wrong temperature. He inspects the food and determines that it looks OK for consumption, but he is still unsure about selling the products after they've been incorrectly stored. This is an example of an ethical dilemma in
    A. using company equipment.                C. inventory management.
    B. purchasing.                             D. reporting environmental violations.

53. Ryan organized his school's homecoming dance. He knows that students loved it and that everything went smoothly, but he isn't sure how much money was made on ticket sales. Ryan needs to
    A. evaluate the project's budget.
    B. find ways to save money when planning the next dance.
    C. ask students what their favorite parts of the dance were.
    D. examine the project's schedule.

54. When a purchasing specialist weighs whether their business can create a needed part or should purchase it from a supplier, they are engaging in a
    A. retail-or-wholesale decision.           C. supplier performance evaluation.
    B. competitive bidding process.            D. make-or-buy decision.

55. Juan's Waffle Emporium sells state-of-the-art pancake griddles and waffle irons. The total cost to create each waffle iron is $12, and Juan then sells each waffle iron for $30 to create an $18 profit. Juan's Waffle Emporium is using what type of pricing method?
    A. Cost-based pricing                      C. Price-based costing
    B. Break-even point                        D. Economies of scale

56. Sabine maintains her company's social media accounts to promote her company's professional brand and image. Sabine's career is in the area of
    A. merchandising.                          C. professional selling.
    B. marketing research.                     D. marketing communications.

57. Neil wants to make sure his marketing practices are ethical, so he should avoid
    A. keyword cannibalization.                C. white space marketing.
    B. search engine optimization.             D. black hat marketing.

58. A restaurant has a guideline explaining how to put together its famous specialty sandwich. This guideline is an example of a
    A. protocol.                               C. procedure.
    B. policy.                                 D. precedent.

59. When Naomi shared private customer data with a friend, she breached which component of her company's code of conduct?
    A. Confidentiality                         C. Conflicts of interest
    B. Health and safety                       D. Use of property

60. Marketing/Product communications and media trainer are positions within which specific marketing career?
    A. Product/Brand management
    B. Customer service
    C. Public relations
    D. Digital marketing

61. Lee wants to introduce a new, high-quality camera to his electronics store. What form of research should Lee choose?
    A. More expensive because the more money a business spends on research, the faster the results
    B. More expensive because a business selling an expensive product can afford more expensive research
    C. Less expensive because a business introducing new products should remain cautious with its money
    D. Less expensive because the type of product in this scenario has already undergone extensive research

62. Discrimination is most likely to lead to which of the following consequences for businesses:
    A. Decreased ability to form positive relationships
    B. Mental health issues
    C. Loss of customers
    D. Increased difficulty finding enjoyment in life

63. Which of the following industries is most likely to use dynamic pricing algorithms that fluctuate based on demand and competition:
    A. Retailers
    B. Airlines
    C. Freelancers
    D. Restaurants

64. A small town has three drugstores. Instead of individually lowering their prices and competing against each other, the three owners agree to implement a high price range for their products. The owners are engaging in
    A. unit pricing.
    B. price discrimination.
    C. bait-and-switch advertising.
    D. price fixing.

65. A local electronics store needs to get rid of a weak product. By eliminating the weak product, the electronics store will take part in product
    A. interruption.
    B. annihilation.
    C. extermination.
    D. discontinuation.

66. The longest-lasting stage of the product life cycle is usually
    A. maturity.
    B. introduction.
    C. decline.
    D. growth.

67. Due to advances in technology, which phase of the product life cycle is the typewriter in?
    A. Maturity
    B. Decline
    C. Growth
    D. Introduction

68. Encouraging product sales, protecting products, creating a good impression of products, and communicating product benefits are all purposes of product
    A. advertising campaigns.
    B. packaging and labeling.
    C. release parties and events.
    D. marketing promotions.

69. In today's world, many people subscribe to several different streaming services rather than pay for cable or satellite TV. Streaming services are an example of
    A. substitute products.
    B. complementary products.
    C. lateral thinking.
    D. starbursting.

70. Cindy is throwing a surprise birthday party for her best friend. She ordered several large pizzas online from a nearby pizza parlor and received an email confirmation notifying her that the order will be delivered in 30 minutes. Which type of standard does this example illustrate?
    A. Cost
    B. Quantity
    C. Time
    D. Quality

71. Aaron 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. Aaron decides to opt in for the warranty and signs a written contract. This is an example of a(n)
    A. guarantee.
    B. implied warranty.
    C. express warranty.
    D. strategy.

72. Recent news reports state that several people contracted food poisoning after eating a company's product. Which type of organization or federal agency is most likely to order that the product be removed from the market?
    A. A food and drug safety regulatory body
    B. An agency that fights unfair competition
    C. A consumer product safety commission
    D. An agency that regulates financial products

73. Which of the following is a reason why a business may choose an expansion product-mix strategy:
    A. To keep up with changing consumer preferences
    B. To differentiate from the competition
    C. To improve products for social good
    D. To satisfy customers' desire for variety

74. Marketers position a flower shop on its same-day service feature. This is positioning by
    A. performance.
    B. durability.
    C. ease of purchase.
    D. quick delivery.

75. Which of the following is an advantage of family branding:
    A. It allows a business to sell to very different markets.
    B. Each individual brand has its own unique identity.
    C. It's easier to add new products to current promotional campaigns.
    D. A product of poor quality can affect the image of other products.

76. Winston's Finest Watches is a prestigious, well-respected company with luxury watches starting at $15,000. Wealthy customers collect the watches as family heirlooms. When responding to reviews online, the company uses slang and a relaxed, informal tone. Winston's Finest Watches should reconsider its
    A. target audience.
    B. vision statement.
    C. slogan.
    D. brand voice.

77. Colors, images, and graphics are some of the elements that make up a company's brand
    A. promise.
    B. personality.
    C. values.
    D. identity.

78. A technology company is known for its automatic software updates and easy-to-use platform. Which of the following brand positioning strategies would be most effective:
    A. Convenience-based
    B. Customer service
    C. Price-based
    D. Quality-based

79. While listening to her favorite podcast, Eloise hears a commercial for a local pawn shop, then she visits their company website. These touchpoints occurred during which stage of the customer journey?
    A. After purchase
    B. During purchase
    C. Point of purchase
    D. Before purchase

80. Alexis isn't in the market for a new iPhone, but she has seen commercials and social media advertisements for a new version of the product that will come out next year. Alexis doesn't need the new iPhone right away, but she knows it will be available when she is ready to buy a new phone. This is an example of what benefit of promotion?
   - A. Increased product/company awareness
   - B. Decreased customer loyalty
   - C. Increased sales
   - D. Decreased employment opportunities

81. Anna, the owner of a local coffee shop, wants to persuade customers to buy a new holiday flavor of coffee. She decides to create awareness of the new flavor by putting up a large promotional sign in the window of the shop. Anna's business is using _____ promotion.
   - A. institutional
   - B. product
   - C. corporate
   - D. public service

82. After several years of saving money and multiple hours of research, Jacob is finally ready to buy a Porsche sports car. In this scenario, the Porsche is an example of a(n) _____ product.
   - A. specialty
   - B. shopping
   - C. convenience
   - D. unsought

83. Which of the following is an example of an unethical situation in advertising:
   - A. An alcohol company asks its website visitors to verify whether they are at least 21 years old.
   - B. Tre films videos promoting shoes he's received for free from a brand as if he purchased them.
   - C. Gail tags the business and labels her sponsored Instagram posts accordingly.
   - D. A digital game company doesn't require personal information for users under the age of 13.

84. Jordan's company advertises online games and brain teasers for 8- to 10-year-old children. What must his company do to comply with laws and regulations related to protecting children's privacy online?
   - A. Store personal information for 10 years
   - B. Keep children's personal information secure from parents
   - C. Obtain parental consent before collecting personal information
   - D. Require children to provide their parents' phone numbers

85. While Amanda was watching her favorite show, she noticed a Honda logo on the front of the car the main character was driving. Shortly after, the character is shown drinking a bottle of Coca-Cola with the label clearly displayed. These are examples of what type of "other" advertising media?
   - A. Directory advertising
   - B. Movie theater advertising
   - C. Telemarketing
   - D. Product placement

86. Which form of word-of-mouth marketing involves developing volunteers or advocates and encouraging them to spread the word about your product or organization?
   - A. Evangelist marketing
   - B. Influencer marketing
   - C. Product seeding
   - D. Referral programs

87. Which of the following is an example of direct marketing:
   - A. Bruno receives an oil change digital coupon from his mechanic.
   - B. Joanie hears about a local going-out-of-business sale on Spotify.
   - C. Samira discovers a blog about physician assistant programs.
   - D. Malik reads reviews on the newest video editing software.

88. Which of the following is an example of pull marketing:
   - A. Search engine optimization
   - B. Targeted email marketing
   - C. TV advertising
   - D. Point-of-sale marketing

89. Which component of an advertisement urges readers to do something?
   - A. Image
   - B. Headline
   - C. Call to action
   - D. Body

90. Leena reviews Remy's advertisement draft and notes that it looks too cluttered and busy. "Customers would feel overwhelmed looking at this!" she explains. How should Remy revise his advertisement?
    A. Decrease the margins
    B. Decrease the font size
    C. Add more images
    D. Add white space

91. Brielle's company is building a new manufacturing plant in Cordova, Alaska, so she organizes an event to gain local support. Brielle is engaging in which of the following types of public relations activity:
    A. Employee relations
    B. Public affairs
    C. Crisis management
    D. Community relations

92. Which of the following are examples of tangible products:
    A. A smartwatch and a warranty
    B. A cell phone and a smartwatch
    C. A cell phone and a social media app
    D. A social media app and a warranty

93. Mary Jane, an elderly woman, is ready to buy her first smartphone. However, she knows she will need more guidance throughout the process of selecting and buying one than her 28-year-old granddaughter would need. Mary Jane's customer experience is influenced by
    A. promotion.
    B. individual needs.
    C. past experience.
    D. word-of-mouth information.

94. Companies can foster customer loyalty by
    A. offering simple warranties and guarantees for products and services.
    B. refusing to offer credit to customers who can't afford products or services.
    C. creating complicated instructions and user's manuals for products.
    D. outsourcing maintenance and repair services to another company.

95. Which of the following is an example of an internal factor that influences selling policies:
    A. Gross domestic product
    B. Corporate goals and objectives
    C. Customer wants and needs
    D. Competitors' actions

96. Without sales laws, customers would have a hard time _____ businesses.
    A. buying from
    B. trusting
    C. funding
    D. accessing

97. It's important that salespeople are prepared with product knowledge, because customers frequently ask
    A. which local competitors sell similar items.
    B. if they can have more time to make a decision.
    C. how many people bought from the salesperson.
    D. what styles, colors, and models are available.

98. Kelly is in the market for a new phone case. While explaining the price difference between two similar looking cases, the salesperson tells Kelly that the more expensive case has better durability and a better warranty than the other. The salesperson has identified a(n) _____ benefit.
    A. obvious
    B. unique
    C. hidden
    D. exclusive

99. Which of the following is a benefit of successfully identifying customer needs:
    A. It guarantees a successful closing of the sale.
    B. It reduces the amount of selling time required for each sale.
    C. It decreases the number of customers each salesperson can serve.
    D. It increases customer returns and exchanges.

100. Raina researches different mattress brands before deciding on a luxurious bed-in-a-box that will be shipped directly to her apartment. Which buying motive is behind her behavior?
    A. Desire for gain
    B. Fear of loss
    C. Security and protection
    D. Comfort and convenience

# 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

1. C
   Licenses. Businesses and individuals grant licenses for many things, including technological and intellectual information, formulas, music, and inventions. Operating agreements are developed by LLCs (limited liability companies) to specify each member's role in the hybrid business structure. Exclusive distributorships (or dealerships) are product trade-name franchisees. Royalties are a percentage of the profits many licensees pay to the licensor in addition to an initial licensing fee.
   SOURCE:   BL:003
   SOURCE:   LAP-BL-003—Own It Your Way (Types of Business Ownership)

2. A
   Intensive. The typical availability of gum and breath mints at any store exemplifies intensive distribution. Intensive distribution means selling a product through every available wholesaler and retailer in a geographic area where consumers might look for it. Selective distribution means selling a product through a limited number of wholesalers and retailers in a geographic area. Exclusive distribution means selling a product through just one middleman in a geographic area. The term "mild distribution" is fictitious.
   SOURCE:   CM:001
   SOURCE:   LAP-CM-001—Chart Your Channels (Channel Management)

3. B
   Producer to wholesaler to retailer to ultimate consumer. Producer to wholesaler to retailer to ultimate consumer is the most common distribution channel for consumer goods. First, the producer makes the good. Next, the wholesaler moves the good from the producer to the retailer. Then, the retailer sells the good, and finally, the ultimate consumer purchases it. An agent is a business or individual that assists in the sale and/or promotion of goods and services but does not buy them from the producer. If an agent is used, their involvement is typically the second step of the process after producer.
   SOURCE:   CM:003
   SOURCE:   LAP-CM-003—Channel It (Channels of Distribution)

4. C
   Order tracking. Order tracking is a technological feature that allows customers to follow the progress of an order from placement to delivery. Inventory control involves tracking the amount, the kind, and the value of inventory that a business has on hand. Customer service includes the activities and benefits provided by a business to its customers to create goodwill and customer satisfaction. Starbursting is a brainstorming technique that involves using a star-shaped diagram to ask and answer basic questions about an issue or situation.
   SOURCE:   CM:004
   SOURCE:   Ingram, D. (2017, November 21). *Channel management techniques.* Retrieved January 10, 2022, from https://smallbusiness.chron.com/channel-management-techniques-3072.html

5. C
   Coercion. Coercion, or coercive power, is the use of threats to motivate someone to complete a desired task by setting up consequences for failure. In this scenario, the large retailer has threatened to stop ordering from the small manufacturer unless the latter offers a significant price discount. The gray market refers to unauthorized distribution channels. A slotting allowance, or slotting fee, is a cost manufacturers pay to place their products on shelves. Libel involves writing something untrue that damages a person's or business's reputation.
   SOURCE:   CM:006
   SOURCE:   Perner, L. (1999-2018). *Channel management and conflict.* Retrieved January 10, 2022, from https://consumerpsychologist.com/dist_Channel_Management.html

6.  D
    Place. Place is a marketing element focusing on considerations in getting a selected product in the right location at the right time. When Tara coordinates channel management (the processes by which marketers ensure products are distributed to customers efficiently and effectively) with the place component of the marketing mix, she makes sure each product is in the best location for customer access and purchase. Price is a marketing element requiring marketers to determine the amount of money they will ask in exchange for their products. Product is a marketing element referring to what goods, services, or ideas a business will offer its customers. Promotion is a marketing element referring to the various types of communications that marketers use to inform, persuade, or remind customers of their products.
    SOURCE:   CM:007
    SOURCE:   Lake, L. (2021, January 6). *What the marketing mix is and why it's important.* Retrieved January 13, 2022, from https://www.thebalancesmb.com/what-is-a-marketing-mix-2295520

7.  A
    Horizontal conflict. Horizontal conflict is a type of channel conflict that occurs between channel members at the same level (e.g., two retailers). Vertical conflict is a type of channel conflict that occurs between channel members at different levels within the same channel. Dual distribution and multiple distribution mean distributing a product through two or more different channels, respectively.
    SOURCE:   CM:008
    SOURCE:   Mack, S. (2019, March 5). *Horizontal & vertical marketing conflicts.* Retrieved January 13, 2022, from https://smallbusiness.chron.com/horizontal-vertical-marketing-conflicts-65325.html

8.  C
    Affinity partnership. An affinity partnership exists when two or more organizations partner together to share goods and services in an attempt to reach a wider audience and grow their customer bases. A hybrid structure is a form of business ownership that combines elements of corporations and either sole proprietorships or partnerships. Forced associations is a creativity technique in which a connection is made between two words or objects, or a word and an object. A merger involves two individual businesses combining to form one organization.
    SOURCE:   CM:021
    SOURCE:   Marketing Schools. (2020, November 12). *Affinity marketing: Explore the strategy of affinity marketing.* Retrieved January 13, 2022, from https://www.marketing-schools.org/types-of-marketing/affinity-marketing/

9.  D
    Gather information. The most common reason for active listening is to gather information. During a social studies lecture, a presentation about a trip, or even a coach's pregame meeting, you listen to collect information so that you can learn. While forming an opinion and connecting with others are reasons for using active listening, they are not shown here. Increasing satisfaction is not necessarily a reason for active listening.
    SOURCE:   CO:017
    SOURCE:   LAP-CO-017—Listen Up! (Demonstrating Active Listening Skills)

10. C
    Swaying back and forth. Ineffective nonverbal communication includes distracting gestures and actions such as gripping onto the podium, tapping your foot, twisting your hair, or swaying back and forth. Effective nonverbal communication includes facial expressions, hand gestures, and moving around the stage to create emphasis, interact with your audience, and convey meaning.
    SOURCE:   CO:025
    SOURCE:   LAP-CO-025—Well Said! (Making Oral Presentations)

11. A
Bar graph. The graph that Nia created is a bar graph. Bar graphs are used to compare absolute values or proportions between different groups or categories, and they represent the data using a series of bars across two axes. Because Nia wants to compare the total number, or absolute value, of employees that chose each topping, a bar graph is the best option for her. A pie chart, a circular graph that displays percentages of a whole as if they were slices of a pie, is best to use when trying to compare parts of a whole. Unlike bar graphs, pie charts can't be used to explicitly show absolute number values for each group. A line graph is similar to a bar graph in that it also shows data across two axes. However, line graphs are typically used to track changes over short and long periods of time. There is not a time element in this scenario. A table displays information in rows and columns, not across two axes.
SOURCE:  CO:087
SOURCE:  Johnson, L. (2018, April 23). *Difference between a bar graph & pie chart*. Retrieved
            December 28, 2021, from https://sciencing.com/difference-bar-graph-pie-chart-5832998.html

12. C
Brand awareness. Brand awareness simply refers to how familiar customers and potential customers are with the brand. Brand loyalty refers to customers' level of commitment to buying the brand. A brand promise is the specific benefit that customers can expect from using the good/service and interacting with the company. A slogan is a memorable phrase used to advertise a product or brand.
SOURCE:  CR:001
SOURCE:  LAP-CR-001—Share the Promise (Identifying Brand Promise)

13. A
Technology. Capital goods reflect the state of technology that exists in society. In general, societies that are leaders in technology use or have the most up-to-date capital goods. While developing countries might use hand tools to produce goods and services, industrialized societies take advantage of much more sophisticated (and more readily available) industrial and digital technology. Capital goods do not directly reflect the state of goodwill, farmland, or motivation in society.
SOURCE:  EC:003
SOURCE:  LAP-EC-903—Be Resourceful (Economic Resources)

14. D
Negative public image. In business, image can be everything. Unethical actions can damage a company's reputation, sometimes irreversibly. When customers heard about the company's unethical behavior, it changed the way they viewed the business. The consequence the company experienced was an external, not internal, one. There was no mention of lawsuits or jail time in this scenario.
SOURCE:  EC:106
SOURCE:  LAP-EC-106—On the Up and Up (Business Ethics)

15. A
Businesses compete by producing cheaply made products. In market economies, competition is a source of some problems. A business may try to capture the entire market for a product by attempting to control the price, output, and employment. Other businesses may try to compete by producing cheaply made products. Governments levy high taxes and individuals have less money to spend in socialist command systems. Consumers deciding what will be produced by casting economic votes is a positive attribute of a market economy. Governments pay workers based on the quantity of production in communist command systems.
SOURCE:  EC:007
SOURCE:  LAP-EC-907—Who's the Boss? (Economic Systems)

16. C
Restricting the amount of money in circulation. The government can attempt to fight inflation by restricting the amount of money in circulation. To compensate for a downturn in economic activity, the government can spend more on goods and services, lower the prime interest rate, and increase wages.
SOURCE:  EC:017
SOURCE:  LAP-EC-917—Measure Up? (Gross Domestic Product)

17. A
Price fixing. Price fixing occurs when competitors agree to raise, lower, or stabilize their prices of competitive items. Predatory pricing is pricing lower than the competition to drive them out of business. Price discrimination involves charging different prices to different people. Black market pricing is a fictitious term.
SOURCE:  PI:015
SOURCE:  Ellsworth, M. (2019, October 1). *5 unethical pricing pitfalls to avoid.* Retrieved January 25, 2022, from https://blog.wiser.com/5-unethical-pricing-pitfalls-to-avoid/

18. A
Critical-thinking skills. Having critical-thinking skills means that you can make reasonable judgments about people, ideas, situations, etc. You might use critical-thinking skills when you see that a friend is upset and you try to understand why. Or you might use critical-thinking skills when you're setting a budget for the student council. Self-control is the ability to restrain your emotions and actions appropriately. Empowerment is taking (or receiving) the right to make decisions and assume control over something (e.g., your own life and future). Victim mentality means believing that you are controlled by the people and circumstances around you, and you may hold them responsible for anything that goes wrong in your life.
SOURCE:  EI:075
SOURCE:  LAP-EI-075—It's Up to You (Taking Responsibility for Decisions and Actions)

19. B
Constructive criticism. Constructive criticism is a type of negative feedback that points out mistakes or weaknesses for the purpose of helping a person improve a specific behavior. Constructive criticism is nonjudgmental, immediate, and nonthreatening. Positive feedback is praise or approval. Destructive criticism is a type of negative feedback that points out mistakes and includes a personal attack on the individual. Internal feedback is feedback that comes from within you.
SOURCE:  EI:003
SOURCE:  LAP-EI-903—Grin and Bear It (Using Feedback for Personal Growth)

20. D
Greater creativity and innovation. When diverse perspectives, experiences, and strengths are present in the workplace, it allows for greater creativity and innovation. If you fill the room with people who are all very similar, you'll get a lot of the same viewpoints and opinions. However, if you bring in a diverse group of employees, you're a lot more likely to come up with a variety of ideas and solutions. Diverse perspectives might indirectly lead to higher salaries and increased sales, but those would be a result of greater creativity and innovation. Diverse perspectives do not necessarily lead to more collaboration and sympathy.
SOURCE:  EI:033
SOURCE:  LAP-EI-033—Getting To Know You (Cultural Sensitivity)

21. B
Complete. Your communications should include all the information the receiver needs to understand your message. By including the date, time, and location of the meeting in his email, Alfredo is engaging in complete communications. There isn't enough information to determine whether his email is concise or uses correct grammar, spelling, punctuation, and syntax. Convenient communication is not a recognized form of effective communication.
SOURCE:  EI:007
SOURCE:  LAP-EI-140—More Than Just Talk (Effective Communication)

22. B
Making it personal. By explaining why others should care about what you're saying, you are making it personal so they are interested. Although you're the one doing the persuading, it's not about you—look at things from the other person's point of view and explain why they should care. Promoting benefits and stating your case are other steps in the persuasion process. Using body language is a technique to be more persuasive.
SOURCE:  EI:012
SOURCE:  LAP-EI-912—Win Them Over (Persuading Others)

23.  A
     Mutual fund. A mutual fund is a combination of stocks from different corporations or agencies. One
     benefit of investing in mutual funds is access to the expertise of the fund's manager, who is directly
     responsible for deciding which investments best meet the mutual fund's stated purpose. Investing in real
     estate, money market accounts, and bonds does not use a manager who is responsible for deciding
     which investments to pursue.
     SOURCE:  FI:077
     SOURCE:  LAP-FI-077—Invest for Success (Types of Investments)

24.  D
     Public. Public accountants prepare, analyze, and verify financial data for a variety of clients, including the
     government, corporations, and individuals. They usually work for firms that are hired to audit clients'
     financial data. Financial accountants provide information to those outside of the organization, including
     investors, financial analysts, and lenders. Nonprofit accountant is a fictitious term. Managerial
     accountants provide internal information to organizations.
     SOURCE:  FI:351
     SOURCE:  LAP-FI-351—With Due Care (The Role of Ethics in Accounting)

25.  C
     $5,000. According to the accounting equation (Assets = Liabilities + Owner's Equity), Amy has $5,000 in
     assets. Liabilities are debts, while owner's equity is the amount an owner has invested in the business. In
     this scenario, the $2,000 that Amy invested herself is the owner's equity, and the $3,000 she borrowed
     from her parents is considered a liability. Adding the owner's equity and liabilities equals $5,000.
     SOURCE:  FI:093
     SOURCE:  LAP-FI-093—The Right Balance (The Nature of Balance Sheets)

26.  D
     Incrementalism. Incrementalism refers to the diminishing of ethical values over time. One small unethical
     action can lead to more and more until ethical principles no longer exist at all. Rationalization occurs in
     situations where there is a conflict between what you are doing and what you know you should be doing.
     Playing the devil's advocate involves looking for all possible counterpoints to an idea. Self-interest can
     bias decision-making because it is difficult to make the ethical choice if it goes against your own well-
     being.
     SOURCE:  FI:355
     SOURCE:  LAP-FI-355—Money Morals (The Role of Ethics in Finance)

27.  D
     Estimate. A budget that outlines the approximate cost to send John and his colleagues to the conference
     is an example of an estimate. Estimates are approximations, or educated guesses. This aforementioned
     budget gives the company an idea of how much it will cost to send the employees on the trip. A fact is
     data that can be verified and can't be disputed. Because the company hasn't paid the costs for the trip
     yet, the budget is not considered a fact. A sales forecast is a prediction of future sales over a specific
     period of time. A sales invoice is an itemized statement of money owed for a good or service. The budget
     has nothing to do with sales, sales forecasts, or sales invoices.
     SOURCE:  IM:012
     SOURCE:  LAP-IM-012—Data Do It (Need for Marketing Data)

28.  C
     Marketing intelligence. Marketing intelligence is existing marketing data that are gathered informally from
     internal and external sources. Sources of marketing intelligence include salespeople, suppliers, customer
     advisory panels, podcasts, and more. Marketing research is the systematic gathering, recording, and
     analyzing of data about a specific marketing problem or situation. Data processing involves analyzing
     data collected and putting them into formats useful to a business. Internal data are found inside a
     business.
     SOURCE:  IM:001
     SOURCE:  LAP-IM-001—Get the Facts Straight (Marketing-Information Management)

29.  D
     The need for ethics in marketing-information management. Ethics are extremely important to marketing-
     information management. It is essential that the data marketers collect are reliable, accurate, and not
     harmful to anyone. Sally's lack of ethics led to negative consequences for her business and its
     customers. This example does not demonstrate problems that occur when marketers are objective. It
     also does not necessarily demonstrate the importance of following the rule of law.
     SOURCE:   IM:025
     SOURCE:   LAP-IM-025—Info With Integrity (Ethics in Marketing-Information Management)

30.  B
     Company blog. A blog is a website regularly updated (by a person or group) with information or opinions.
     In this instance, Claire is regularly updating the business's website with content about its products and
     benefits. Because they often include space for readers to respond, blogs are a technological tool that
     helps with conducting marketing research. A search engine is a software program that automatically
     crawls the web looking for information pertaining to specified search terms and displays a list of results.
     Databases are computerized storage for information and facts. Social media pages include forms of
     electronic communications through which users build communities, network, share information, etc.,
     separate from a company's website.
     SOURCE:   IM:183
     SOURCE:   Brookins, M. (n.d.). *Tools used in market research.* Retrieved January 14, 2022, from
               https://smallbusiness.chron.com/tools-used-market-research-17205.html

31.  D
     Exploratory. Creating a qualitative survey is an example of exploratory research. Businesses use
     exploratory research to collect information to help define their issue, situation, or concern and decide how
     to proceed with their research. Exploratory research typically focuses on qualitative data, such as
     respondents' opinions and personal interpretations rather than facts and figures. Descriptive research is
     used to gather specific data related to the identified research problem. Causal research focuses on
     cause-and-effect relationships and tests "what if" theories. It determines the impact that one item or entity
     has on another. Predictive research is used to help businesses forecast future business developments,
     such as estimating future sales, predicting the growth or decline of a market, or projecting consumer
     tastes.
     SOURCE:   IM:010
     SOURCE:   LAP-IM-010—Seek and Find (Marketing Research)

32.  C
     Use a marketing research firm. Since obtaining data for marketing research can be such a big job, many
     companies choose to outsource this task to a commercial marketing research firm. One reason to do so
     is because the firm can make the research anonymous. Because Deelish Soft Drinks does not want to be
     identified, using a marketing research firm is a good idea. There is no indication that Deelish Soft Drinks
     should focus on secondary research, consult its vendors and suppliers, or obtain quantitative data.
     SOURCE:   IM:281
     SOURCE:   LAP-IM-281—What's the Source? (Obtaining Marketing-Research Data)

33.  B
     Secondary data. The research team is looking at secondary data, which are data—facts, figures, and
     statistics—that already exist and have been collected for purposes other than the project at hand. Sales
     invoices, expense reports, and other company records are each considered secondary data. Primary
     data are new facts, figures, or statistics collected specifically for the problem or project at hand. Units of
     analysis are entities or elements that are being studied in market research (e.g., individual, household).
     Relevant variables are the types of information studied in a marketing research project (e.g., brand
     awareness, customer satisfaction).
     SOURCE:   IM:282
     SOURCE:   LAP-IM-282—What's the Problem? (Marketing Research Problems)

34. A
The research design must match the purpose of the research project. If the research design does not match the purpose of the research project, researchers are likely to obtain inaccurate results. Exploratory research is not appropriate for certain types of research that need more specific answers, and descriptive research would also not always be appropriate. Test marketing is often used for causal research to test hypotheses, but it is not necessarily needed for research exploring a problem or studying a specific aspect of the market.
SOURCE: IM:284
SOURCE: LAP-IM-284—Better by Design (Marketing Research Design)

35. D
The sample size. A sampling plan includes a determination of the target population, a determination of the sample size, and a determination of the sample design. A skip interval is the number of spaces between each sampling unit drawn for the sample in systematic random sampling. It would not necessarily be included in a sampling plan unless the design was systematic random sampling. Sampling ratio is a fictitious term. The budget would not necessarily be included in the sampling plan.
SOURCE: IM:285
SOURCE: LAP-IM-285—Take Your Pick (Nature of Sampling Plans)

36. D
Secondary. Data can be sorted into two categories—primary data, which come from original sources, and secondary data, which are already available in some form. Tertiary refers to something that is "third" and is not a common category for data. Data are also not sorted into principal or unusable categories.
SOURCE: IM:184
SOURCE: LAP-IM-184—Data Diving (Identifying Marketing Data)

37. B
Surveys, tracking, and experiments. Three of the main methods businesses use to collect quantitative data—information that is based on numbers, statistics, or hard facts—are surveys, tracking, and experiments. Personal interviews, focus groups, and observation are methods that businesses can use to collect qualitative data—information that is based on thoughts, feelings, experiences, or opinions and is descriptive and nonstatistical in nature.
SOURCE: IM:289
SOURCE: LAP-IM-289—Hunting and Gathering (Data Collection Methods)

38. A
Leading. Leading questions are questions that subtly prompt the respondent to answer in a particular way. By calling the support team "amazing," the survey question prompts the respondent to answer in a positive way, which might not elicit truthful responses. Neutral questions avoid opinions and leading prompts. An open-ended question requires more than a simple "yes" or "no" response. Double-barreled questions ask respondents to respond to multiple things in the same question.
SOURCE: IM:418
SOURCE: SurveyMonkey. (1999-2022). *Writing good survey questions.* Retrieved January 18, 2022, from https://www.surveymonkey.com/mp/writing-survey-questions/

39. C
Coding. Coding data means labeling and organizing information into meaningful themes and relationships between them. By identifying themes and patterns from survey responses, Charles-Clair is coding data. Innovation is the creation or discovery of something new, such as a product, process, service, technology, or idea. Estimating is approximating, or taking an educated guess. Sampling is the process of choosing a representative group of consumers to survey.
SOURCE: IM:062
SOURCE: Medelyan, A. (2021, September 23). *Coding qualitative data: How to code qualitative research.* Retrieved January 18, 2022, from https://getthematic.com/insights/coding-qualitative-data/

40. B
    Basic. Basic research, also called fundamental or pure research, is done to improve understanding of
    processes, phenomena, or concepts. In contrast, applied research is done to solve a specific problem
    impacting humans within society. Action research and evaluation research are types of applied research.
    Because Michael's research examined a natural process solely for the purpose of improving
    understanding, the study is an example of basic research.
    SOURCE:  IM:292
    SOURCE:  Indeed. (2021, July 21). *Basic research vs. applied research: Definition and examples.*
                 Retrieved January 18, 2022, from https://www.indeed.com/career-advice/career-
                 development/basic-research-vs-applied-research

41. 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
    SOURCE:  SurveyMonkey. (1999-2022). *Writing good survey questions.* Retrieved January 18, 2022,
                 from https://www.surveymonkey.com/mp/writing-survey-questions/

42. B
    Multiple methods; value to decision makers. Marketing research is the systematic gathering, recording,
    and analyzing of data about a specific issue, situation, or concern that affects a market and impacts
    business decision-making. Good marketing research uses multiple methods to increase reliability of
    findings and provides value to decision makers. Good marketing research does not rely solely on a single
    method, nor does it collect as much information as possible, as extraneous data gathered might be costly
    and not relevant or valuable to decision makers.
    SOURCE:  IM:428
    SOURCE:  QS Study. (n.d.). *Characteristics of good marketing research.* Retrieved January 18, 2022,
                 from https://qsstudy.com/characteristics-of-good-marketing-research/

43. B
    Everywhere. Marketing occurs wherever customers are present—in all kinds of businesses. Customers
    can be individuals like you, businesses, or institutions such as schools. Marketing can be done online, in
    an office, in a store, in a school, at home, and in thousands of other locales. While it is true that
    marketing occurs in businesses, at school, and online, none of those answers best sum up all of the
    places where marketing occurs.
    SOURCE:  MK:001
    SOURCE:  LAP-MK-901—Have It Your Way! (Nature of Marketing)

44. C
    The manufacturer from which to buy the product. When it comes to the place element, getting a selected
    product in the right place at the right time is all about creating convenience for the customer. When
    developing the place element of their marketing mix, marketers consider which manufacturer to buy the
    product from, when to buy the product, and how much of the product to order, among other things.
    Focusing on how to bring in the revenue that the business needs is something marketers would consider
    in the price element of the marketing mix. How the product might affect their image is something
    marketers would consider in the product element. Which messages to send and media to use would be
    considered in the promotion element.
    SOURCE:  MP:001
    SOURCE:  LAP-MP-001—Pick the Mix (Nature of Marketing Strategies)

45. D
   It takes more resources to pull off successfully. Segment marketing is the classification of customers into similar groups to appeal to one or more individual segment(s). One disadvantage of segment marketing is that it takes more resources to pull off successfully. Since the product is usually more complex, it can be more difficult to produce—requiring more creativity during design and more money during production. Two advantages of segment marketing are that it is more precise than mass marketing and that it aims to find out customers' specific needs and meet them. Communicating a broad message to a large audience is an advantage of mass marketing, not a disadvantage of segment marketing.
   SOURCE:   MP:003
   SOURCE:   LAP-MP-003—Have We Met? (Market Identification)

46. A
   To increase market share by 5% by the end of the fiscal year. A marketing objective or goal should be SMART—specific, measurable, achievable, realistic, and time-bound. Of the four alternatives provided, only one has a set time limit: to increase market share by 5% by the end of the fiscal year. Although determining how many hours each part-time employee worked last week involves focusing on a specific period of time, it does not have a set time limit or deadline for completing the goal successfully. While identifying 10 wholesale and retail intermediaries and decreasing production costs by 12% are specific and measurable, they are not time-bound.
   SOURCE:   MP:007
   SOURCE:   LAP-MP-007—A Winning Plan (Nature of Marketing Plans)

47. D
   External. Environmental scanning involves collecting information about the external environment surrounding a business, such as ethnic/cultural factors, political factors, social factors, technological factors, etc. External factors impacting a company can relate to regulation and/or the environment, but not necessarily so.
   SOURCE:   MP:008
   SOURCE:   Capozzi, C. (2019, January 11). *What is the difference between an environmental analysis & a SWOT analysis?* Retrieved January 13, 2022, from
                 https://smallbusiness.chron.com/difference-between-environmental-analysis-swot-analysis-20684.html

48. A
   It is based on expert opinion. Qualitative sales forecasting is based on expert opinion and personal experience. Qualitative sales forecasting lacks a high level of accuracy due to possible errors in judgment, unexpected changes, and potential bias. Quantitative sales forecasting is based on both numerical data and past sales records.
   SOURCE:   MP:013
   SOURCE:   LAP-MP-013—Futurecast (The Nature of Sales Forecasts)

49. A
   Expert system. The software program that the mechanic used to diagnose the problem with Gary's company car is an example of an expert system. An expert system is a software program designed to mimic the knowledge of human experts and is commonly used in fields such as medicine, finance, sales, and automotive repair. A database is computerized storage for information and facts. Computer-aided design (CAD) is the use of computer technology to plan, design, and test new products. Voice over Internet Protocol (VoIP) is a technology that allows users to make phone calls over the internet. The mechanic did not utilize a database, CAD, or VoIP.
   SOURCE:   NF:003
   SOURCE:   LAP-NF-004—TECH-tastic (Technology's Impact on Business)

50. C
To time their promotions appropriately. Promotional records are documents containing information about communications that businesses use to inform, persuade, or remind customers of their products, images, or ideas. A key reason it is important for businesses to keep promotional records is to time their promotions effectively. Another primary reason is to evaluate the effectiveness of their promotions. Maintaining adequate inventory levels is a reason that businesses use inventory records, not promotional records. Discussing reasons for an employee's promotion relates to personnel records rather than promotional records. Documenting employees' regular and overtime wages is a reason that businesses use payroll records, not promotional records.
SOURCE:   NF:001
SOURCE:   LAP-NF-001—Record It (Business Records)

51. D
Demographics. The data the business received from the survey are an example of demographics—the physical and social characteristics of the population. Age, gender, income, and employment status, among several other factors, are all trends that businesses pay close attention to during an environmental scan. The society and culture information category focuses on remaining sensitive to customer needs and wants based on the changes in society and culture, such as changing family roles or concern for fitness and health. The economy category focuses on making business decisions to satisfy customers and remain profitable. Economic factors that businesses should pay attention to during an environmental scan include interest rates, inflation, and the stage of the business cycle (prosperity, recession, recovery, etc.). The government category deals with political factors that affect business decision-making such as changing laws and regulations, monetary and fiscal policies, and import/export restrictions and regulations, among others. The data collected from the survey were not examples of the society and culture, economy, or government categories of information.
SOURCE:   NF:015
SOURCE:   LAP-NF-015—Get the 4-1-1 (Conducting an Environmental Scan)

52. C
Inventory management. Inventory management involves supervising and controlling the number of finished products a company has in stock. Aneeq is experiencing an ethical dilemma in inventory management because he doesn't know how to deal with potentially spoiled inventory due to a storage issue. Purchasing is the buying of goods and services for a business. This scenario does not involve any use of company equipment or potential violations related to the environment.
SOURCE:   OP:190
SOURCE:   LAP-OP-190—Above Board (Ethics in Operations)

53. A
Evaluate the project's budget. Evaluating finances is one of the most important ways to know whether or not a project can be considered a success. Ryan already has an idea about the success of his project in terms of customer satisfaction and scope, but he needs to evaluate the budget and expenses to know if it was a financial success. While he might eventually find ways to save money when planning the next dance, Ryan first needs to evaluate the budget to know how well the project did financially. Asking students about their favorite parts of the dance will not help Ryan know how much money was made on ticket sales. Examining the project's schedule also will not help Ryan know how much money was made on ticket sales.
SOURCE:   OP:521
SOURCE:   LAP-OP-521—Making the Grade (Evaluating Project Success)

54. D
   Make-or-buy decision. When a purchasing specialist needs to decide whether the company can make needed parts or should purchase them from a supplier, they are engaging in a make-or-buy decision. During the competitive bidding process, the purchasing specialist provides specific information about the goods and services that the company needs and asks for a price quote from suppliers. The potential suppliers then bid for the account and the purchasing specialist chooses the best one. A purchasing specialist conducts a supplier performance evaluation after the purchased goods or services have been delivered. Retail-or-wholesale decision is a fictitious term.
   SOURCE:   OP:015
   SOURCE:   LAP-OP-015—Buy Right (Purchasing)

55. A
   Cost-based pricing. In cost-based pricing, businesses determine a product's total cost and then charge a predetermined markup to create a profit. The break-even point occurs when a company's total expenses equal their total sales. In price-based costing, businesses determine how much customers will pay for a product, then they figure out how to produce it for a cost that still leaves room for profit. Economies of scale happen when a business creates enough of a product to spread out and dilute its fixed costs.
   SOURCE:   OP:024
   SOURCE:   LAP-OP-024—Watch Your (Over) Head (Overhead/Operating Costs)

56. D
   Marketing communications. Marketing communications employees perform marketing activities that inform, remind, and/or persuade the targeted audience of ideas, experiences, goods/services, and/or images. Examples of marketing communications techniques include advertising, direct marketing, social media/digital marketing, publicity/public relations, and sales promotion. Careers in professional selling involve marketing and management activities that determine customer needs/wants and respond through planned, personalized communication to influence purchase decisions and enhance future business operations. Marketing research jobs focus on marketing activities that involve determining information needs, designing data collection processes, collecting data, analyzing data, presenting data, and using data for marketing planning. Merchandising careers include marketing activities that focus on efficient and effective product planning, selection, and buying for resale.
   SOURCE:   PD:025
   SOURCE:   LAP-PD-025—Go for It! (Careers in Business)

57. D
   Black hat marketing. Black hat marketing includes unethical strategies and techniques that seek to manipulate search engine rankings, including cookie stuffing and keyword spamming. White space marketing is a form of marketing that uses innovation to meet unspoken customer needs. Keyword cannibalization occurs when too many similar keywords are spread throughout a webpage and compete with each other; this is an ineffective business practice, but not necessarily unethical. Search engine optimization (SEO) is the process of designing and submitting web pages so that they can be found easily by spiders to obtain a good position in the search results.
   SOURCE:   PD:137
   SOURCE:   Marketing Schools. (2020, November 14). *Black hat marketing: Internet marketing using unethical means.* Retrieved January 10, 2022, from https://www.marketing-schools.org/types-of-marketing/black-hat-marketing/

58. C
   Procedure. A procedure is a step-by-step process that employees must follow while performing a specific task. A restaurant might have several procedures in place—a procedure for cleaning up once the day is over and a procedure for putting together specialty sandwiches, for example. A policy is any guideline explaining how employees are to act. "Protocol" is often used to describe an organization's overall set of guidelines rather than a specific rule. A precedent is an earlier event used as an example for subsequent action.
   SOURCE:   PD:250
   SOURCE:   LAP-PD-250—Do You Follow? (Adhering to Company Protocols and Policies)

59. A
Confidentiality. Confidentiality is the practice of keeping information secret or private. Certain information must be kept confidential so the organization can remain competitive, respect stakeholders, and protect individuals' personal privacy. In the workplace, confidentiality is usually applied to business decisions that involve customer data or marketing information or that are not public knowledge. In this scenario, Naomi did not demonstrate a breach in company policy regarding health and safety, conflicts of interest, or use of property.
SOURCE:  PD:251
SOURCE:  LAP-PD-251—Know the Code (Following Rules of Conduct)

60. C
Public relations. Marketing/Product communications and media trainer are positions that fall under the marketing career of public relations. People in public relations are in charge of establishing good relationships between their business or organization and the public, as well as building a positive public image. This includes writing and sending out press releases, communicating and developing relationships with the public and media, and managing crises that could threaten reputations. The goal of customer service is to keep customers coming back, and it usually involves dealing directly with customers and creating goodwill. Product/Brand management involves monitoring and developing one or more existing products or brands, and planning the entire life span of them. Digital marketing involves the use of the internet, social media, smartphones, and other technology to promote products and attract customers.
SOURCE:  PD:024
SOURCE:  LAP-PD-024—Career Opportunities in Marketing

61. B
More expensive because a business selling an expensive product can afford more expensive research. Pricing affects the type of research conducted, the length of the research project, and the amount of money spent on research. Because Lee wants to sell an expensive product, he can afford to spend more money on the research. Spending more money does not necessarily mean faster results. Sometimes, companies spend millions of dollars to research new products. The specific camera in this scenario has not already undergone research.
SOURCE:  PI:001
SOURCE:  LAP-PI-001—The Price Is Right (Nature of Pricing)

62. C
Loss of customers. Discrimination can lead to job loss and damaged relationships. At the institutional level, it can lead to loss of customers, decreased revenue, and damaged investor and public relations. Mental health issues, decreased ability to form positive relationships, and increased difficulty finding enjoyment in life are consequences that individuals might experience as a result of discrimination.
SOURCE:  EI:017
SOURCE:  LAP-EI-917—Don't Jump to Conclusions (Recognizing and Overcoming Personal Biases and Stereotypes)

63. B
Airlines. Dynamic pricing uses computer algorithms to adjust prices based on competition, consumer demand, and other factors. Airlines, hotels, and event venues commonly use dynamic pricing strategies. Retailers, freelancers, and restaurants would use other pricing strategies instead of flexible, technology-based dynamic pricing algorithms.
SOURCE:  PI:016
SOURCE:  Decker, A. (2021, June 8). *The ultimate guide to pricing strategies.* Retrieved January 25, 2022, from https://blog.hubspot.com/sales/pricing-strategy

64. D
Price fixing. By agreeing to implement a high price range for their products, the three drugstore owners are engaging in price fixing. Price fixing is an illegal business agreement in which businesses agree on prices of their goods or services, resulting in little choice for the consumer. Price discrimination is an illegal activity in which a business charges different customers different prices for similar amounts and types of products. Bait-and-switch advertising involves promoting a low-priced item to attract customers to whom the business then tries to sell a higher-priced item. Unit pricing is a pricing technique which shows the price per unit (ounce, pound, etc.) along with the total price of the item.
SOURCE:   PI:002
SOURCE:   LAP-PI-003—Make Cents (Factors Affecting Selling Price)

65. D
Discontinuation. The elimination of weak products is also known as product discontinuation. Weak products are those with declining sales and profitability. Product discontinuation must be planned carefully to prevent damaging the company's image. Some companies eliminate a weak product slowly so that customers have time to find replacements, or they may continue to provide service for a discontinued product for a certain period of time to retain customer goodwill. Product/Service managers must weed out weak products because of their costs to the company. Product annihilation, extermination, and interruption are not recognized terms.
SOURCE:   PM:001
SOURCE:   LAP-PM-017—Serving Up Products (Nature of Product/Service Management)

66. A
Maturity. The maturity stage is usually the longest-lasting stage of the product life cycle. Most of the products in widespread use are in the maturity stage right now. In this stage, the product has achieved acceptance by most of its potential buyers. Sales are still high, but sales growth slows down. Profits from the product stabilize or start to decrease a bit. The introduction stage, decline stage, and growth stage are generally more short-lived than the maturity stage.
SOURCE:   PM:024
SOURCE:   LAP-PM-024—Get a Life (Cycle) (Product Life Cycles)

67. B
Decline. The typewriter is in the final phase of the product life cycle—decline. Consumers can still purchase typewriters, but demand is low. Desktop computers, laptops, smartphones, and tablets are in the growth and maturity phases. Some artificial intelligence (AI) products are in the introduction phase.
SOURCE:   PM:039
SOURCE:   TWI. (2022). *What is a product life cycle? (Definition, stages and examples).* Retrieved January 25, 2022, from https://www.twi-global.com/technical-knowledge/faqs/what-is-a-product-life-cycle

68. B
Packaging and labeling. There are many reasons why companies package and label products, including to help sell products, to protect and safeguard products, to create a good impression of products, and to communicate product benefits. These are not purposes of product advertising campaigns, release parties and events, or marketing promotions.
SOURCE:   PM:040
SOURCE:   LAP-PM-040—Safe and Sound (Ethics in Product/Service Management)

69. A
Substitute products. In this scenario, streaming services are an example of substitute products—goods and/or services that can be used in place of others. Because streaming services satisfy the same needs/wants of customers, they are considered a substitute for cable or satellite TV. Complementary products are goods and/or services that are used together (e.g., skirts and blouses, software and computers). Lateral thinking is a process used to solve problems and generate ideas in purposely illogical ways. Starbursting is a brainstorming technique that involves using a star-shaped diagram to ask and answer basic questions about an issue or situation.
SOURCE:   PM:127
SOURCE:   LAP-PM-127—Unleash Your Mind (Techniques for Generating Product Ideas)

70. C
Time. Time standards are established specifications that monitor the amount of time needed to complete specific business activities. Cindy receiving an email saying her order would be delivered in 30 minutes illustrates time standards. Quantity standards are used to measure the amount of work produced or to be done. Cost standards indicate how much a project or product costs. Quality standards are used to measure the degree of excellence of a good or service.
SOURCE: PM:019
SOURCE: LAP-PM-008—Raise the Bar (Grades and Standards)

71. C
Express warranty. An express warranty is a warranty that is written or expressed verbally. Because the salesperson verbally informed Aaron 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
SOURCE: LAP-PM-004—Promises, Promises (Warranties and Guarantees)

72. A
A food and drug safety regulatory body. A food and drug safety regulatory body, such as the U.S. Food and Drug Administration (FDA), would order that the product be removed from the market. The FDA administers food, drug, medical, and cosmetic laws that protect consumers' health. Among food and drug safety regulatory bodies' several responsibilities are making sure food supply is safe and removing harmful products from the market. Agencies such as the U.S. Federal Trade Commission (FTC) aim to protect consumers by helping them make good buying decisions and by eliminating unfair business competition. Consumer product safety commissions typically carry the bulk of the responsibility for ensuring consumer product safety. Agencies that regulate financial products, including the Consumer Financial Protection Bureau (CFPB) in the United States, work to make financial products safe for consumers by educating and informing them; by supervising banks, credit unions, and other financial services providers; and by studying consumer behavior.
SOURCE: PM:017
SOURCE: LAP-PM-007—Protect and Serve (Consumer Protection)

73. D
To satisfy customers' desire for variety. Expansion is a product-mix strategy in which a business expands its product mix by adding additional product items or product lines. Satisfying customers' desire for variety is one of several reasons why a business may choose expansion. Differentiating from the competition is a reason why a business may use positioning—a strategy that a business may use to create a certain image or impression of a product in the minds of consumers. Improving products for social good and keeping up with changing consumer preferences are reasons why a business may use alteration—a strategy in which a business makes changes to its products or product lines.
SOURCE: PM:003
SOURCE: LAP-PM-003—Mix and Match (The Nature of the Product Mix)

74. D
Quick delivery. Positioning a flower shop on its same-day service is positioning by quick delivery. Quick delivery is a strategy that businesses can employ to get their product into customers' hands faster than the competition. Durability refers to how long a product lasts before needing to be replaced or repaired. Ease of purchase refers to businesses making their processes for ordering, shipping, making returns, etc., as simple as possible. Performance is how well a product does the job it was designed to do. The durability, ease of purchase, and performance were not specified in this scenario.
SOURCE: PM:042
SOURCE: LAP-PM-042—Getting Piece of Mind (Factors Used To Position Products/Services)

75. C
    It's easier to add new products to current promotional campaigns. Family branding involves using the same brand for related products in a product line. It's easier to add new products to current promotional campaigns for a family brand, and because the products are part of one big "family," the family brand can take on the image of the company. However, if one product in the family is found to be of poor quality, then the entire brand family could suffer. Individual branding involves using different brands for products owned by one company. Each individual brand has its own unique identity that is unrelated to other brands owned by the parent company. In addition, individual brands allow a business to sell to very different markets.
    SOURCE:   PM:021
    SOURCE:   LAP-PM-021—It's a Brand, Brand, Brand World! (Nature of Product Branding)

76. D
    Brand voice. A company's brand voice is like the personality of the business. Winston's Finest Watches is a prestigious, luxury company, so a casual online presence with slang could cost the company customers. The business does not need to reconsider its vision statement, slogan, or target audience.
    SOURCE:   PM:276
    SOURCE:   Clark, S. (2021, February 17). *Does your brand's voice connect with your customers?* Retrieved January 25, 2022, from https://www.cmswire.com/digital-marketing/does-your-brands-voice-connect-with-your-customers/

77. D
    Identity. A brand identity consists of those elements that are instantly recognized as representing a particular business or product, like logos, colors, names, images and graphics, and design. A brand personality is the projection of a brand that encompasses its values and emotional connections with consumers. Brand values are beliefs or qualities that a corporate brand stands for and is built around. A brand promise is a business's spoken or unspoken agreement with customers that it will consistently meet their expectations and deliver on its brand characteristics and values.
    SOURCE:   PM:206
    SOURCE:   LAP-PM-206—Corporate Identity (Nature of Corporate Branding)

78. A
    Convenience-based. Brand positioning is the strategy a company uses to set itself apart from its competitors. A technology company with automatic software updates and an easy-to-use platform would benefit most from a convenience-based positioning strategy. Based on the description, customer service, price-based, and quality-based positioning strategies would be less effective than a convenience-based strategy.
    SOURCE:   PM:207
    SOURCE:   Patel, S. (2021, October 4). *A complete guide to successful brand positioning.* Retrieved January 25, 2022, from https://blog.hubspot.com/sales/brand-positioning-strategy

79. D
    Before purchase. Customer touchpoints are the instances when brands interact with customers. On the customer journey, stages are separated into before, during, and after purchase. Touchpoints that occur before purchase include commercials and advertisements, social media, company website, search engine optimization (SEO), word of mouth, and others. Touchpoints that occur during the purchase include catalogs, brochures, product demos, customer reviews, and point of sale. After-sale touchpoints include feedback surveys, thank-you messages, email lists, billing, and more.
    SOURCE:   PM:277
    SOURCE:   QuestionPro. (2021). *A guide to customer touchpoints: Definitions, examples, and more!* Retrieved December 28, 2021, from https://www.questionpro.com/blog/customer-touchpoints/

80. A
Increased product/company awareness. Due to Apple's promotion of its new iPhone, Alexis is aware that the product exists. Promotion helps customers learn that products exist and where they are available. Increased sales are the most obvious way a business benefits from promotion, but the scenario above is not an example of this benefit, because Alexis is not purchasing the iPhone yet. The promotion is not inspiring Alexis to pursue employment with Apple, nor is it diminishing her loyalty to iPhone products.
SOURCE: PR:001
SOURCE: LAP-PR-901—Razzle Dazzle (Nature of Promotion)

81. B
Product. By putting up a large promotional sign in the window of her coffee shop, Anna's business is using product promotion. The specific goal of product promotion is to persuade customers to buy a particular good or service. It is used to stimulate purchases of goods or services. Institutional promotion (or corporate promotion) does not attempt to sell a good or a service. Rather, it is used to create a certain image of the company in customers' eyes. Public service promotions are a type of institutional promotion used to inform customers about noncontroversial issues that are in the public's best interest.
SOURCE: PR:002
SOURCE: LAP-PR-902—Know Your Options (Product and Institutional Promotion)

82. A
Specialty. In this scenario, the Porsche is an example of a specialty product. Specialty products are goods and services with special or unique characteristics that customers are willing to exert special efforts to obtain. Shopping products are products purchased after the customers compare goods and stores to get the best quality, price, and/or service, such as cell phone plans or laptops. Cars can be considered shopping products, but because Jacob exerted special effort like researching for hours and saving money for years to buy the sports car, the example is not a shopping product. Convenience products are items purchased quickly and frequently without much thought or effort, such as eggs or toothpaste. Unsought products are products that consumers do not actively seek, such as life insurance or funeral services.
SOURCE: PR:003
SOURCE: LAP-PR-001—Spread the Word (Nature of the Promotional Mix)

83. B
Tre films videos promoting shoes he's received for free from a brand as if he purchased them. Tre must clearly disclose the business and items he's received for free in exchange for advertising and endorsing the product. An alcohol company verifying website visitors' ages, labeling sponsored posts accordingly, and not requiring personal information from children are examples of ethical scenarios in promotion.
SOURCE: PR:099
SOURCE: Indeed. (2021, April 1). *Advertising ethics: What they are and how they apply.* Retrieved December 28, 2021, from https://www.indeed.com/career-advice/career-development/advertising-ethics

84. C
Obtain parental consent before collecting personal information. Many governments around the world have created laws and regulations to protect children's privacy online. In the United States, for instance, the Children's Online Privacy Protection Act (COPPA) is designed to protect children under the age of 13 from disclosing personal information online. Jordan's company must obtain parental consent before collecting personal information from children online. Parents must be able to access their children's personal information. Companies must retain collected personal information only as long as is necessary to fulfil the reason why it was collected. Children are not required to provide their parents' or their phone numbers.
SOURCE: PR:101
SOURCE: Federal Trade Commission. (2020, July). *Complying with COPPA: Frequently asked questions.* Retrieved December 22, 2021, from https://www.ftc.gov/tips-advice/business-center/guidance/complying-coppa-frequently-asked-questions-0

85. D
    Product placement. Product placement is a type of "other" advertising media that uses products as props in movies, TV shows, and video games. The main character in Amanda's favorite show driving a Honda and drinking a bottle of Coca-Cola are examples of product placement because the products were used as props and the logos were clearly displayed. Movie theater advertising is shown prior to the screening of a film in a movie theater and also includes posters, standees, and other advertisements present in a movie theater lobby. Telemarketing is an advertising medium that utilizes phone service to promote a product either by calling prospective customers or providing a number for them to call. Directory advertising informs people about how to contact a particular business, often with a phone number, street address, or website.
    SOURCE:   PR:007
    SOURCE:   LAP-PR-007—Ad-quipping Your Business (Types of Advertising Media)

86. A
    Evangelist marketing. Evangelist marketing is a form of word-of-mouth marketing in which the organization develops volunteers or advocates and encourages them to spread the word about the organization or product. Influencer marketing involves already established opinion leaders who influence the opinions of others. Product seeding involves gifting samples to influential people to increase reach. Referral programs incentivize happy customers to recommend products to their friends and family.
    SOURCE:   PR:247
    SOURCE:   Smart Insights. (2019, September 5). *Viral & word-of-mouth marketing.* Retrieved December 22, 2021, from https://www.smartinsights.com/online-pr/viral-marketing/

87. A
    Bruno receives an oil change digital coupon from his mechanic. Direct marketing addresses and communicates with the audience directly instead of via mass media. Direct marketing attempts to personalize the message to its target audience. Indirect marketing is broader and includes TV and radio commercials. Bruno receiving an oil change digital coupon from his mechanic is an example of direct marketing. Joanie, Samira, and Malik all experienced indirect marketing.
    SOURCE:   PR:089
    SOURCE:   Kenton, W. (2020, October 20). *Direct marketing.* Retrieved January 25, 2022, from https://www.investopedia.com/terms/d/direct-marketing.asp

88. A
    Search engine optimization. Pull marketing draws customers to the product and encourages them to seek it out. Push marketing, which is the opposite of pull marketing, brings the brand or product to customers. Pull marketing is also known as inbound marketing, while push marketing is known as outbound or direct response marketing. Examples of pull marketing include search engine optimization (SEO), social media, and cross-promotion. Examples of push marketing include targeted emailing, point-of-sale marketing, and TV advertising.
    SOURCE:   PR:249
    SOURCE:   Wheeler, R. (2020, December 28). *When to push and when to pull: Marketing strategies.* Retrieved December 28, 2021, from https://www.fool.com/the-blueprint/push-vs-pull-marketing/

89. C
    Call to action. The call to action creates a sense of urgency and prompts readers to send a message, visit a website, purchase today, etc. The headline grabs the reader's attention and explains the benefit the product provides. The image illustrates the offer. The body includes details about the offer, business, and other important information.
    SOURCE:   PR:014
    SOURCE:   Crown Advantage. (2021). *7 elements of print advertising.* Retrieved December 28, 2021, from https://www.crownconnect.com/7-elements-print-advertising/

90. D
    Add white space. Adding white space will help improve readability, create balance, and focus readers' attention. Decreasing the font size, adding more images, and decreasing the margins would make the advertisement more difficult to read and less effective. An advertisement should make the best use of space, characters, and imagery to clearly communicate the message.
    SOURCE:   PR:251
    SOURCE:   Denver Digital. (2020, April 10). *The importance of white space in advertising.* Retrieved December 28, 2021, from https://denverdigital.com/blog/2020/04/10/the-importance-of-white-space-in-advertising/

91. D
    Community relations. Community relations focuses on developing a business's relationship with the local community, often by organizing events, visiting schools or businesses, giving back to the community, etc. Public affairs, or lobbying, focuses on government and legislative changes. Crisis management is a business's response after a disaster. Employee relations, or internal public relations, involves employee communications and events.
    SOURCE:   PR:252
    SOURCE:   Bright Network. (2021). *A guide to the different types of PR.* Retrieved December 28, 2021, from https://www.brightnetwork.co.uk/career-path-guides/marketing-pr/different-types-pr/

92. B
    A cell phone and a smartwatch. A cell phone and a smartwatch are both tangible products, which are physical products that are capable of being touched, smelled, tasted, seen, or heard. A warranty and a social media app are not tangible products. Rather, they are intangible products—assets that are not physical in nature and not capable of being detected through the senses.
    SOURCE:   SE:017
    SOURCE:   LAP-SE-017—Sell Away (The Nature and Scope of Selling)

93. B
    Individual needs. Mary Jane's customer experience is influenced by her individual needs. Due to her lack of knowledge of smartphones, Mary Jane needs more guidance throughout the process of buying one than her granddaughter would need. The salesperson will need to cater to her needs to help her make the best purchase. In this case, Mary Jane's customer experience is not influenced by promotion (customer service the business promises through the media), past experience (service she has received before), or word-of-mouth information (service based on recommendations from people she trusts).
    SOURCE:   SE:076
    SOURCE:   LAP-SE-076—Go Beyond the Sale (Customer Service in Selling)

94. A
    Offering simple warranties and guarantees for products and services. Customers like to know that businesses stand behind their products and will repair or replace them if needed. However, warranties and guarantees should be simple and clear so customers will know exactly what to expect. You don't want your customers to feel tricked or confused. Companies can also foster loyalty by offering credit, creating simple instructions and user's manuals, and providing quality maintenance and repair services (instead of outsourcing maintenance and repair services to another company).
    SOURCE:   SE:828
    SOURCE:   LAP-SE-828—Keep Them Loyal (Key Factors in Building Clientele)

95. B
    Corporate goals and objectives. Internal factors, those forces present within the company itself, can affect selling policies. One example of an internal factor is a company's goals and objectives. A company's goal may be to establish a reputation for quality service after the sale, for example. This would probably affect its return and maintenance policies. The gross domestic product (GDP) is the final market value of the total outputs of all goods and services produced within a country's geographic boundaries during a year's time. The GDP is highly unlikely to impact selling policies. Customer wants and needs and the actions of competitors are examples of external factors influencing selling policies.
    SOURCE:   SE:932
    SOURCE:   LAP-SE-932—Sell Right (Selling Policies)

96.  B
Trusting. Sales laws regulate what salespeople can do, so customers can trust what they say. Just like laws against violence and theft protect our society, selling laws protect both customers and the economy. Without laws, businesses would be free to do whatever they wanted, including lying and misrepresenting their products, to convince customers to buy from them. Businesses also wouldn't have to keep their promises or uphold their warranties. A lack of sales laws would not as strongly affect a customer's ability to buy from, fund, or access a business.
SOURCE:   SE:106
SOURCE:   LAP-SE-106—Keep It Real—In Sales (Legal and Ethical Considerations in Selling)

97.  D
What styles, colors, and models are available. It's very common for customers to ask if a product comes in another size, color, style, etc. If a salesperson doesn't have the needed product information, they could easily lose the sale. While customers could potentially ask if they can have more time to make a decision and if other people have bought products from the salesperson before, salespeople don't need to be prepared with product knowledge to answer those questions. Customers are unlikely to ask a salesperson about other competitors in the area who sell similar items.
SOURCE:   SE:062
SOURCE:   LAP-SE-062—Get Informed (Acquiring Product Information for Use in Selling)

98.  C
Hidden. The salesperson has identified a hidden benefit. Hidden benefits are advantages of goods or services that cannot be seen or understood without the assistance of a salesperson. By looking at the two cases, Kelly didn't know about their durability and warranties until the salesperson explained the hidden benefit of the more expensive one. An obvious benefit is an advantage of a product that is apparent, plain to see, and easily recognizable. A unique, or exclusive, benefit is available only from the salesperson's product or service.
SOURCE:   SE:109
SOURCE:   LAP-SE-109—Find Features, Boost Benefits (Feature-Benefit Selling)

99.  B
It reduces the amount of selling time required for each sale. When salespeople successfully identify customer needs, they are able to quickly suggest appropriate products to satisfy those needs, shortening the sales process. While identifying customer needs certainly helps in closing sales, it does not guarantee a successful close. Successfully identifying customer needs increases the number of customers each salesperson can serve because less time is spent with each customer. Customer returns and exchanges decrease, not increase, when needs are identified because customers obtain products and services that more effectively satisfy their needs.
SOURCE:   SE:048
SOURCE:   LAP-SE-048—Set Your Sales (The Selling Process)

100.  D
Comfort and convenience. Raina selects a product that will make her life easier and less stressful. Having the luxurious mattress shipped to her home is convenient and will enhance Raina's comfort. Raina does not purchase the mattress out of fear of loss, for security or protection, or out of desire for direct or indirect financial gain.
SOURCE:   SE:359
SOURCE:   Beeketing. (2018). *Understanding buyer motivation: Getting more of your ecommerce customers to checkout.* Retrieved December 28, 2021, from https://beeketing.com/blog/buyer-motivation/