

# Global Marketing Quiz

## Chapter 8: Contemporary Marketing, 20th Edition

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**1.** What is the primary difference between exporting and importing in global trade?

- a) Exporting involves selling services, while importing involves buying goods.
- b) Exporting is marketing domestically produced goods abroad, while importing is purchasing foreign goods.
- c) Exporting requires tariffs, while importing does not.
- d) Exporting is restricted to agricultural products, while importing includes services.

**2.** Which sector has seen an increase in the share of U.S. exports?

- a) Agricultural products
- b) Manufacturing
- c) Service industries
- d) Construction

**3.** What is one benefit of importing goods and services to the U.S.?

- a) Reduced access to resources
- b) Increased consumer prices
- c) Expanded choices for consumers
- d) Decreased economic growth

**4.** What is the purpose of tariffs in global trade?

- a) To eliminate trade restrictions
- b) To tax imported goods
- c) To promote free trade
- d) To standardize currency exchange

**5.** How many member countries does the World Trade Organization (WTO) have?

- a) 124
- b) 164
- c) 180
- d) 200

**6.** Which of the following is a key function of the World Trade Organization?

- a) Enforcing environmental regulations
- b) Mediating trade disputes
- c) Setting global currency rates
- d) Regulating labor laws

**7.** What is a characteristic of the European Union (EU) as a multinational economic community?

- a) It prohibits the free flow of goods among members.
- b) It has adopted a common currency.
- c) It restricts worker mobility.
- d) It focuses solely on agricultural trade.

**8.** What agreement replaced the North American Free Trade Agreement (NAFTA)?

- a) European Union (EU)
- b) United States–Mexico–Canada Agreement (USMCA)
- c) World Trade Organization (WTO)
- d) Trans-Pacific Partnership (TPP)

**9.** Which of the following is a benefit of the USMCA?

- a) Increased tariffs on digital products
- b) Strengthened labor laws
- c) Reduced GDP for member nations
- d) Decreased trade among members

**10.** What does infrastructure include in the context of the international marketing environment?

- a) Cultural values and traditions
- b) Transportation, communications, and utilities
- c) Political ideologies
- d) Competitive strategies

**11.** How do exchange rate fluctuations impact global marketing?

- a) They standardize product pricing globally.
- b) They affect the prices of imported goods.
- c) They eliminate trade barriers.
- d) They restrict cultural adaptations.

**12.** What should marketers study before entering a foreign market to address the social-cultural environment?

- a) Currency exchange rates
- b) Language, education, and social values
- c) Tariff regulations
- d) Manufacturing processes

**13.** What is a political risk assessment (PRA) used for?

- a) Evaluating the cultural fit of a product
- b) Assessing political risks in markets
- c) Determining exchange rates
- d) Setting environmental standards

**14.** How does the international technological environment aid global marketing?

- a) It restricts access to new markets.
- b) It connects businesses globally via the internet.
- c) It increases trade barriers.
- d) It limits product customization.

**15.** What is an advantage of the exporting strategy for entering foreign markets?

- a) High control over product marketing
- b) Low cost and low risk
- c) Requires significant resources
- d) Involves complex local operations

**16.** What role does an export management company (EMC) play?

- a) It manufactures goods for export.
- b) It provides expertise in locating foreign buyers and managing paperwork.
- c) It sets tariffs for imported goods.
- d) It regulates foreign licensing agreements.

**17.** What is a disadvantage of franchising and licensing as a market entry strategy?

- a) High capital investment required
- b) Inadequate quality from partners could damage brand
- c) Lack of access to foreign markets
- d) Limited knowledge of new markets

**18.** Which strategy involves assigning production to local companies to avoid cultural and regulatory mistakes?

- a) Exporting
- b) Subcontracting
- c) Acquisitions
- d) Joint ventures

**19.** Which marketing mix strategy involves using the same product and message globally?

- a) Product adaptation
- b) Straight extension
- c) Dual adaptation
- d) Product invention

**20.** Why might a firm choose a product invention strategy?

- a) To maintain high production costs
- b) To standardize products globally
- c) To take advantage of unique foreign market opportunities
- d) To limit market entry options

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**End of Quiz**