

Name_____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) A company's total marketing communications mix consists of a special blend of advertising, sales promotion, public relations, personal selling, and direct-marketing tools that the company uses to communicate customer value and build customer relationships. This is also called _____.
A) direct marketing
B) competitive marketing
C) the promotion mix
D) target marketing
E) integrated marketing
1) _____
- 2) The use of short-term incentives to encourage the purchase or sale of a product or service is called _____.
A) public relations
B) personal selling
C) publicity
D) sales promotions
E) direct marketing
2) _____
- 3) Any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor is called _____.
A) advertising
B) personal selling
C) direct marketing
D) sales promotion
E) public relations
3) _____
- 4) Which of the five major promotion tools includes building up a positive corporate image and handling unfavourable stories and events?
A) public relations
B) direct marketing
C) advertising
D) sales promotion
E) personal selling
4) _____
- 5) Which of the following is NOT a major category in a company's promotion mix?
A) strategic positioning
B) public relations
C) direct marketing
D) sales promotion
E) advertising
5) _____

- 6) Which major promotion category makes use of catalogues, telephone marketing, kiosks, and the Internet? 6) _____
- A) sales promotion
 - B) direct marketing
 - C) publicity
 - D) advertising
 - E) public relations
- 7) Which major promotion category makes use of displays, discounts, coupons, and demonstrations? 7) _____
- A) sales promotion
 - B) publicity
 - C) advertising
 - D) direct marketing
 - E) public relations
- 8) The promotion mix is the company's primary communication activity; the marketing mix must be coordinated for the greatest communication impact. Which of the following is NOT included in the entire marketing mix? 8) _____
- A) product
 - B) promotion
 - C) competitor
 - D) place
 - E) price
- 9) Mass-media advertising routinely involves a company investing millions or even billions of dollars to reach tens of _____ of customers with a single ad. 9) _____
- A) thousands B) tens C) hundreds D) billions E) millions
- 10) Today's consumers do not need to rely on marketer-supplied information about products and services because they can use _____ to seek out a wealth of information. 10) _____
- A) mass market media
 - B) public relations
 - C) direct marketing
 - D) the Internet and other technologies
 - E) informative advertising
- 11) Which of the following is NOT a factor in the changes occurring in today's marketing communications? 11) _____
- A) Today's consumers are better informed about products and services.
 - B) Improvements in communication technologies are changing how companies and customers communicate with each other.
 - C) Mass markets have fragmented, and marketers are shifting away from mass marketing.
 - D) Companies routinely invest millions of dollars in the mass media.
 - E) Mass media no longer capture the majority of promotional budgets.

- 12) Moving away from _____, marketers have been shifting toward highly focused marketing, spawning a new generation of more specialized and highly targeted communications efforts. 12) _____
- A) mass marketing
 - B) direct marketing
 - C) pull strategies
 - D) push strategies
 - E) advertising
- 13) Which of the following is NOT an example of a specialized and highly-targeted media that an advertiser might use to reach smaller customer segments? 13) _____
- A) podcasts
 - B) cable television channels
 - C) network television
 - D) e-mail
 - E) online social networks
- 14) Companies are doing less _____ and more _____ as a result of an explosion of more focused media that better match today's targeting strategies. 14) _____
- A) marketing; media
 - B) broadcasting; narrowcasting
 - C) narrowcasting; broadcasting
 - D) media; sales
 - E) advertising; word-of-mouth
- 15) In the "chaos scenario" predicted by some advertising industry experts, the old mass-media communications model will be abandoned in favour of _____. 15) _____
- A) public relations
 - B) buzz marketing
 - C) the possibilities of new digital technologies
 - D) direct marketing
 - E) push and pull strategies
- 16) All of the following are reasons that marketers are losing confidence in television advertising EXCEPT which one? 16) _____
- A) TV and other mass media still capture the lion share of promotional budgets.
 - B) Younger consumers are using different media.
 - C) TV ad spending is rising at a slower rate than online ad spending.
 - D) Many viewers are using video on demand and TiVo-like systems.
 - E) TV audience size is on the decline.
- 17) Companies often fail to integrate their various communications to consumers because _____. 17) _____
- A) communications often come from different parts of the company
 - B) advertising departments are reluctant to work with public relations professionals
 - C) they have failed to understand the concept of brand contact
 - D) historically, consumers have been able to distinguish between message sources
 - E) personal selling and sales promotion are in direct conflict
- 18) All too often companies today have failed to _____ their various communications channels, resulting in a hodgepodge of communications to consumers. 18) _____
- A) promote
 - B) verify
 - C) open
 - D) rechannel
 - E) integrate

- 19) Consumers today receive commercial messages from a broad range of sources. However, consumers _____ the way marketers do. 19) _____
- A) block them all out
 - B) are able to differentiate among messages sources
 - C) don't care about buzz marketing
 - D) are not able to block out messages
 - E) don't distinguish between message sources
- 20) More companies are adopting the concept of _____, which carefully integrates and coordinates the company's many communication channels to deliver a clear, consistent, and compelling message about the organization and its brands. 20) _____
- A) integrated marketing communications
 - B) buzz marketing
 - C) integrated competitive methods
 - D) nonpersonal communication channels
 - E) integrated personal selling
- 21) Advertising, sales promotion, personal selling, public relations, and direct marketing are all _____. 21) _____
- A) communications channels that should be integrated under the concept of integrated marketing communications
 - B) promotional tools used for pull strategies but not push strategies
 - C) communications channels focused more on narrowcasting than broadcasting
 - D) promotional tools used for push strategies but not pull strategies
 - E) promotional tools adapted for use in mass marketing
- 22) Integrated marketing communications require a company's mass-market advertisements, Web site, e-mail, and personal selling communications to all have _____. 22) _____
- A) independent communications directors
 - B) the same target audience
 - C) separate marketing objectives
 - D) the same message, look, and feel
 - E) equal portions of the advertising budget
- 23) To produce better communications consistency, a unified company image, and greater sales impact, some companies employ a(n) _____. 23) _____
- A) personal sales force
 - B) public relations specialist
 - C) media planner
 - D) marketing communications director
 - E) advertising agency
- 24) Integrated marketing communications produces better communications _____ and greater _____ impact. 24) _____
- A) consistency; sales
 - B) marketing; sales
 - C) branding; quality
 - D) sales; consistency
 - E) variety; production

- 25) Today, marketers are moving toward viewing communications as managing the _____ over time. 25) _____
A) product life cycle
B) nonpersonal communication channels
C) word-of-mouth influence
D) customer relationship
E) advertising agency
- 26) Integrated marketing communications involves identifying the target audience and shaping a well-coordinated _____ to elicit the desired audience response. 26) _____
A) target market
B) opinion leader
C) pull strategy
D) promotional program
E) push strategy
- 27) Using integrated marketing communications, the communications process should start with _____. 27) _____
A) an audit of all the potential customer touch points
B) public relations
C) publicity
D) the competitive-parity method
E) advertising strategy
- 28) Which of the following is NOT one of the four major communication functions? 28) _____
A) noise B) encoding C) response D) decoding E) feedback
- 29) The communication channel a company uses to move its advertising messages from sender to receiver is called the _____. 29) _____
A) encoder
B) media
C) message
D) communicator
E) feedback loop
- 30) The receiver assigns meaning to the symbols encoded by a company in its advertisements through a process known as _____. 30) _____
A) acknowledgement
B) decoding
C) response
D) disencoding
E) feedback
- 31) In the communication process, the reaction of the receiver after being exposed to a message is called the _____. 31) _____
A) decoding B) response C) feedback D) answer E) noise

- 32) When a customer lets a producer know something about its products or advertising, the customer is providing _____. 32) _____
A) feedback
B) noise
C) encoding
D) reverse marketing
E) decoding
- 33) A consumer is reading a magazine with an advertisement, but is distracted from reading the advertisement or its key points. This unplanned static or distortion during the communication process is called _____. 33) _____
A) response B) feedback C) decoding D) distraction E) noise
- 34) In the communication process, the more the sender's field of experience _____ that of the receiver, the more _____ the message is likely to be. 34) _____
A) overlaps with; effective
B) connects with; ineffective
C) varies from; distinguishable
D) coincides with; creative
E) departs from; direct
- 35) To communicate effectively, a marketing communicator must _____ the consumer's field of experience. 35) _____
A) compete with
B) create
C) reference
D) share
E) understand
- 36) Marketing communicators must be good at _____ messages that take into account how the target audience _____ them. 36) _____
A) encoding; decodes
B) decoding; receives
C) retrieving; perceives
D) sending; encodes
E) delivering; encodes
- 37) Marketing communicators must do all of the following EXCEPT _____. 37) _____
A) identify the target audience
B) deliver products to the customer
C) choose the media through which to send a message
D) collect feedback
E) determine the communication objectives
- 38) The six _____ stages that consumers normally pass through on their way to making a purchase include awareness, knowledge, liking, preference, conviction, and purchase. 38) _____
A) objective readiness
B) personal readiness
C) purchase direct readiness
D) buyer-readiness
E) supplier readiness

- 39) The six buyer-readiness stages include all of the following EXCEPT _____. 39) _____
A) knowledge
B) liking
C) power
D) hesitation
E) awareness
- 40) In the model of buyer-readiness stages, the first stage is _____. 40) _____
A) preference
B) liking
C) awareness
D) insistence
E) knowledge
- 41) All of the following are strategies a marketer would use to lead consumers into making the final step toward a purchase EXCEPT which one? 41) _____
A) offer premiums
B) offer add-on features
C) offer special promotional prices
D) use extensive "teaser" advertising
E) C or D
- 42) A message showing a product's quality, economy, value, or performance is called a(n) _____. 42) _____
appeal.
A) emotional B) rational C) structural D) moral E) standard
- 43) Marketers using humour in their messages claim that they attract more attention and create more loyalty and belief in the brand. This type of message is called a(n) _____ appeal. 43) _____
A) standard B) rational C) emotional D) structural E) moral
- 44) Though a popular appeal, when used poorly _____ can detract from comprehension, quickly wear out its welcome, overshadow the product, or even irritate consumers. 44) _____
A) humour
B) nonpersonal communication
C) noise
D) integrated marketing
E) direct marketing
- 45) Moral appeals are directed to the audience's sense of what is "right" and _____. 45) _____
A) positive B) emotional C) traditional D) affordable E) proper
- 46) The communicator must decide how to handle message structure issues. One issue is whether to _____ or not. 46) _____
A) use the pull strategy
B) avoid competitors
C) make a moral appeal
D) use the push strategy
E) draw a conclusion

- 47) A(n) _____ argument is more likely to be effective when the audience is highly educated or likely to hear opposing claims, or when the communicator has a negative association to overcome. 47) _____
A) scientific B) one-sided C) moral D) two-sided E) emotional
- 48) In designing the message structure, marketers must decide whether to present the _____ arguments first or last in a message. 48) _____
A) moral B) strongest C) emotional D) structural E) scientific
- 49) The two broad types of _____ channels are personal and nonpersonal. 49) _____
A) marketing
B) buyer
C) communication
D) competitive
E) seller
- 50) Communication through the mail is categorized as a(n) _____ communication channel. 50) _____
A) objective
B) personal
C) word-of-mouth
D) nonpersonal
E) inefficient
- 51) Creating word-of-mouth campaigns by cultivating opinion leaders and getting them to spread information about a product or service to others in their communities is known as _____. 51) _____
A) public relations
B) stealth marketing
C) sales promotion
D) indirect marketing
E) buzz marketing
- 52) Nonpersonal communication channels include major media, _____, and events. 52) _____
A) sales calls
B) atmospheres
C) buzz marketing
D) word of mouth
E) e-mail
- 53) Vast numbers of consumers are aware of your product. It is now your goal to enhance preference for your product. You plan to use nonpersonal communications through print media. This will include all of the following EXCEPT _____. 53) _____
A) Internet "chats"
B) catalogues
C) direct mail
D) magazines
E) newspapers

- 54) To _____, a marketer can ask target audience members whether they remember the message, how many times they saw it, and what points they remember. 54) _____
A) select a message channel
B) select a message source
C) collect feedback
D) design a marketing appeal
E) plan a media purchase
- 55) _____ from marketing communications may suggest changes in the promotion program or in the product offer itself. 55) _____
A) Feedback B) Encoding C) Shelter D) Decoding E) Noise
- 56) Companies use all of the following methods to set their advertising budget EXCEPT the _____. 56) _____
A) percentage-of-sales method
B) integrated method
C) objective-and-task method
D) competitive-parity method
E) affordable method
- 57) Using the _____ method for setting an advertising budget, the company starts with total revenues, deducts operating expenses and capital outlays, and then devotes some portion of the remaining funds to advertising. 57) _____
A) moving-average
B) affordable
C) integrated
D) percentage-of-sales
E) competitive-parity
- 58) Though the _____ method of setting an advertising budget is simple to use and helps management think about the relationships among promotion spending, selling price, and profit per unit, it wrongly views sales as the cause of promotion rather than the result. 58) _____
A) percentage-of-sales
B) competitive-parity
C) affordable
D) regression
E) objective-and-task
- 59) Which method of setting an advertising budget is based on analyzing competitors' spending? 59) _____
A) objective-and-task method
B) regression method
C) affordable method
D) percentage-of-sales method
E) competitive-parity method
- 60) Perhaps the most logical budget-setting method is the _____ method because it is based on spending necessary to accomplishing specific promotion goals. 60) _____
A) objective-and-task
B) exponential smoothing
C) affordable
D) percentage-of-sales
E) competitive-parity

- 61) Advertising has some shortcomings. What is NOT one of them? 61) _____
A) It does not make audience members feel the need to respond.
B) It can be very costly.
C) It is impersonal.
D) It carries on one-way communication with the audience.
E) It slowly reaches many people.
- 62) _____ is the company's most expensive promotion tool. 62) _____
A) Publicity
B) Advertising
C) Personal selling
D) Mass media
E) Public relations
- 63) Which promotional tool is most effective in building up buyers' preferences, convictions, and, most importantly, actions? 63) _____
A) personal selling
B) public relations
C) segmented advertising
D) mass-market advertising
E) sales promotion
- 64) Sales promotion features a wide assortment of tools. Which of the following is NOT one of these tools? 64) _____
A) premiums
B) cents-off deals
C) catalogues
D) coupons
E) contests
- 65) "Buy it now" is the message of _____. 65) _____
A) sales promotion
B) a nonpersonal communication channel
C) advertising
D) personal selling
E) publicity
- 66) _____ consists of strong short-term incentives that invite and reward quick responses from customers. 66) _____
A) A segmented promotion
B) A patronage reward
C) Publicity
D) Advertising
E) Sales promotion

- 67) _____ is very believable because news stories, features, sponsorships, and events seem more real and believable to readers than ads do. 67) _____
A) Nonpersonal communication
B) Public relations
C) The competitive-parity method
D) Personal selling
E) Personal communication
- 68) Which promotional tool is described as nonpublic, immediate, customized, and interactive? 68) _____
A) sales promotion
B) direct marketing
C) brand contacts
D) segmented advertising
E) public relations
- 69) Which promotional mix strategy directs marketing efforts toward final consumers? 69) _____
A) buzz B) blitz C) push D) pulse E) pull
- 70) Which promotional mix strategy directs marketing efforts toward market channel members? 70) _____
A) pulse B) pull C) push D) blitz E) buzz
- 71) Business-to-consumer companies are more likely to emphasize a _____ promotion strategy, while business-to-business companies are more likely to emphasize a _____ promotion strategy. 71) _____
A) pulse; continuity
B) pull; push
C) continuity; pulse
D) pulse; pull
E) push; pull
- 72) Which of the following is LEAST important for integrating a firm's marketing communications? 72) _____
A) analyze internal and external trends
B) identify all customer touch points for the company and its brands
C) create performance measures for all communications elements
D) audit the pockets of communications spending throughout the organization
E) study the competitor's communications and promotions
- 73) Which of the following would be classified as bait-and-switch advertising? 73) _____
A) advertising a cheaper brand but only making a more expensive one available to customers
B) attempting to charge less for a brand than for manufacturers' brands
C) raising a product's prices
D) advertising service packages that cannot actually be provided
E) favouring certain customers over others through trade promotions
- 74) A company's salespeople should always follow the rules of _____. 74) _____
A) high-pressure selling
B) cooling-off
C) societal marketing
D) fair competition
E) competition

- 75) A.Y. McDonald, a manufacturer of pumps and plumbing valves, employs regional salespeople to sell its products to wholesalers and cities. This is an example of _____. 75) _____
- A) advertising
 - B) sales promotion
 - C) direct marketing
 - D) public relations
 - E) personal selling
- 76) Tara Keegan owns Live Well, a small chain of health stores offering a variety of natural health products and related services. In order to implement integrated marketing communications, Tara has hired a marketing communications director, whose job it will be to ensure that each _____ will deliver a consistent and positive message about the company. 76) _____
- A) logo
 - B) advertisement
 - C) public relations message
 - D) brand contact
 - E) media vehicle
- 77) Harpo Enterprises maintains the Oprah Winfrey show, a Web site, and *O* magazine. Because Harpo Enterprises practices integrated marketing communications, these different brand contacts all maintain _____ in design and tone. 77) _____
- A) contact
 - B) convenience
 - C) variety
 - D) creativity
 - E) consistency
- 78) Delia's is a clothing retailer that targets teenage girls. It runs coordinated promotions for its catalogues, web site, and retail outlets. It uses the same models in its catalogue and in its print ads as well as on its Web site. Delia's works to make sure its public relations activities as well as its sales promotions harmonize with its advertising in all venues. From this information, you can infer that Delia's is using _____. 78) _____
- A) integrated marketing communication
 - B) experiential marketing
 - C) word of mouth marketing
 - D) buzz marketing
 - E) database marketing
- 79) HP's advertising agency assembles words and illustrations into an advertisement that will convey the company's intended brand message. In the communication process, HP is _____. 79) _____
- A) sending
 - B) encoding
 - C) responding
 - D) decoding
 - E) messaging
- 80) The decision to use a cleaning genie to communicate the strength and power of Mr. Clean cleaning liquid is representative of the _____ process of the communication model. 80) _____
- A) sourcing
 - B) signifying
 - C) decoding
 - D) encoding
 - E) messaging

- 81) In the communication process, an actual HP printer/fax machine advertisement is called _____. 81) _____
 A) the message
 B) decoding
 C) the medium
 D) encoding
 E) noise
- 82) An ad for Maybelline age-minimizing makeup in *Ladies' Home Journal* magazine featured actress Melina Kanakaredes and offered readers a \$1-off coupon when they try the new makeup. In terms of the communication model, the sender of this message is _____. 82) _____
 A) *Ladies' Home Journal*
 B) the target market to whom Melina Kanakaredes appeals
 C) Maybelline
 D) readers who redeem the \$1-off coupon
 E) Melina Kanakaredes
- 83) An ad for Maybelline age-minimizing makeup in *Ladies' Home Journal* magazine featured actress Melina Kanakaredes and offered readers a \$1-off coupon when they try the new makeup. In terms of the communication model, the medium of this ad is _____. 83) _____
 A) Maybelline
 B) *Ladies' Home Journal*
 C) readers who redeem the \$1-off coupon
 D) Melina Kanakaredes
 E) the target market to whom Melina Kanakaredes appeals
- 84) An ad for Maybelline age-minimizing makeup in *Ladies' Home Journal* magazine featured actress Melina Kanakaredes and offered readers a \$1-off coupon when they try the new makeup. In terms of the communication model, which of the following would be the best way for the source to measure feedback? 84) _____
 A) the number of people who redeem the coupon
 B) the number of people who were exposed to the ad
 C) the number of people to whom Melina Kanakaredes is an appealing spokesperson
 D) the number of subscribers to *Ladies' Home Journal*
 E) the number of people make up the target market
- 85) Mercy University's initial ads for the school's new MBA program are most likely intended to create _____. 85) _____
 A) awareness B) liking C) preference D) conviction E) insistence
- 86) When a car-maker wants to introduce a new model, it is most likely to begin with an extensive _____ advertising campaign to create name familiarity and interest. 86) _____
 A) two-sided
 B) sales promotion
 C) moral appeal
 D) competitive
 E) teaser
- 87) An example of a(n) _____ appeal is the Salvation Army appeal, "While you were trying to figure out what to get the man who has everything, don't forget the man who has nothing." 87) _____
 A) rational B) standard C) moral D) emotional E) awareness

- 88) A manufacturer of a variety of technological devices asked its marketing department to develop inexpensive methods of building and maintaining brand awareness and excitement. The marketing department then recruited consumers who were early adopters of technological devices to spread the word about the company's new products. This is an example of _____. 88) _____
- A) public service activities
 - B) sales promotion
 - C) direct marketing
 - D) nonpersonal marketing
 - E) buzz marketing
- 89) Toward the end of the fiscal year, the owner of a small company came back from lunch concerned because he had learned that a business targeted to the same customers as his was planning on spending \$150,000 on promotion. As soon as he arrived at the office, he called his financial manager and said, "I want to budget \$150,000 for next year's promotion." Which method of promotional budgeting did the owner want to use? 89) _____
- A) the objective-task method
 - B) the percentage-of-sales method
 - C) the competitive-parity method
 - D) the pull-push method
 - E) the bottom-up method
- 90) An e-mail from Amazon.com offers free shipping on your next purchase of more than \$35. This is an example of _____. 90) _____
- A) an advertising objective
 - B) public relations
 - C) sales promotion
 - D) a push strategy
 - E) personal selling
- 91) Mariah Goldberg, a marketing manager for a manufacturer of children's toys, is looking for ways to reach potential customers who typically avoid salespeople and advertisements. Which of the following would be the most economical promotional tool for Mariah to use? 91) _____
- A) sales promotion
 - B) direct marketing
 - C) public relations
 - D) personal selling
 - E) brand contacts
- 92) A newspaper article announced that VoiceStream Wireless, the nation's sixth-largest wireless carrier, was changing its name to T-Mobile and that to begin the makeover process it had replaced spokesperson Jamie Lee Curtis with Catherine Zeta-Jones. Which element of the promotion mix is being described in this example? 92) _____
- A) product
 - B) sales promotion
 - C) advertising
 - D) personal selling
 - E) public relations

- 93) Clean and Clear, a large producer of all-natural hair care and beauty products, is most likely to use which of the promotion mix strategies to gain increased shelf space in stores and to gain increased customer sales? 93) _____
- A) pulse
 - B) push and pull
 - C) pull
 - D) continuity
 - E) push
- 94) An ad in a professional journal targeted to an audience of dentists asked dentists to recommend Crest toothpaste to their patients. It offered toothpaste samples that dentists could buy at cost to give to their patients to encourage patients to take better care of their teeth. The manufacturer of Crest toothpaste was using _____. 94) _____
- A) public relations
 - B) personal selling
 - C) a push strategy
 - D) direct marketing
 - E) a pull strategy
- 95) Glasis is a type of paint made specifically for use on cars. An ad in *Motor Trend* magazine advising consumers to request their body shops use Glasis paint is an example of how a company uses _____. 95) _____
- A) a push strategy
 - B) buzz marketing
 - C) word of mouth influence
 - D) public relations
 - E) a pull strategy
- 96) A maker of vitamin drinks wants to compete with the leading brands in the category and has decided to use a heavy push strategy, putting most of the brand's marketing budget into trade and consumer sales promotion. Which of the following is a potential disadvantage of this approach? 96) _____
- A) The strategy may spark a spiral of price-slashing that will undercut the brand's future for short-term gains.
 - B) A new marketing communications model is quickly replacing mass marketing.
 - C) Mass media campaigns are increasingly more expensive.
 - D) It may be difficult to identify meaningful product differences in advertising.
 - E) Retail giants may be reluctant to respond to the strategy.

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 97) A company's marketing communications mix is also called its promotion mix. 97) _____
- 98) Sales promotion makes use of press releases and special events. 98) _____
- 99) Though mass marketing was effective in past decades, large companies no longer routinely invest large chunks of their advertising budgets in mass-media outlets such as television and magazines. 99) _____
- 100) Mass markets have fragmented; thus, marketers are shifting away from mass marketing. 100) _____
- 101) Vast improvements in information technology are speeding the movement toward segmented marketing. 101) _____

- 102) New communications technologies such as cell phones and the Internet give companies new media for interacting with targeted consumers, but these new technologies also give consumers more control of the advertising messages they receive. 102) _____
- 103) Mass marketers can expect consumers to distinguish between commercial message sources to maintain a clear image of a company and its brands. 103) _____
- 104) The integrated marketing concept ties together all of the company's messages and images. 104) _____
- 105) Integrated marketing communications allows brand messages to be developed by different departments within an organization. 105) _____
- 106) A marketing communications director has overall responsibility for the company's communications efforts. 106) _____
- 107) The communications process should start with mass media advertising to reach many consumers. 107) _____
- 108) The four major communication functions are encoding, decoding, response, and noise. 108) _____
- 109) Encoding is the process by which the receiver assigns meaning to symbols. 109) _____
- 110) Decoding is the process of putting thought into symbolic form. 110) _____
- 111) Awareness, knowledge, and preparation are buyer-readiness stages. 111) _____
- 112) "Teaser" advertising is most closely associated with the buyer-readiness stage of liking a product. 112) _____
- 113) There are three types of appeal from which marketers may choose as they design their message content. These types are rational, emotional, and moral appeals. 113) _____
- 114) The "Stop. Think. Tylenol." ad is an example of a moral appeal. 114) _____
- 115) Advertisements for prescription drugs often feature potential benefits and negative side effects that consumers may experience with use of the medication. These ads present two-sided arguments. 115) _____
- 116) One study revealed that people make subconscious judgments about an item within 90 seconds of initial viewing and that up to 90 percent of that assessment is based on colour. 116) _____
- 117) Marketers of products that are expensive, risky, or highly visible are the least likely to be impacted by the power of personal influence. 117) _____
- 118) Buzz marketing involves cultivating opinion leaders and getting them to spread information about a product or service to others in their communities. 118) _____
- 119) Canadian-born NBA star Steve Nash only promotes products he deems socially responsible. 119) _____
- 120) The percentage-of-sales method wrongly views sales as the cause of promotion rather than the result. 120) _____

- 121) The affordable method sets promotion budgets to match competitors' outlays. 121) _____
- 122) Large-scale advertising conveys a positive message about the seller's size, popularity, and success. 122) _____
- 123) North American firms spend up to three times as much on personal selling as they do on advertising. 123) _____
- 124) If the pull strategy is effective, consumers will then demand the product from channel members, who will in turn demand it from producers. 124) _____
- 125) A recent trend toward more push than pull in the mixes of consumer-goods companies may achieve short-run sales at the expense of brand equity. 125) _____
- 126) An automobile can be advertised as using seven litres of fuel per hundred kilometres as long as it does so under any condition. 126) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 127) A company's marketing communications mix—also called its promotion mix—blends five different parts. Name and define these parts.
- 128) Why are profound changes in marketing communications creating both exciting and scary times for marketing communicators?
- 129) Explain the concept of integrated marketing communications (IMC).
- 130) Name and define the four major communication functions.
- 131) The background for a Benadryl allergy medication ad appearing in the magazine *Better Homes and Gardens* shows green grass and lovely flowers. The headline states "Benadryl is 54 percent more effective than the leading prescription." At the bottom of the ad, in small print, is an explanation of how the effectiveness of Benadryl was determined. The ad also shows a package of Benadryl so consumers can easily recognize it at the store. Identify the different components of the communication model for this advertisement.
- 132) Outline the steps in developing effective marketing communications.
- 133) Describe the six buyer-readiness stages along with marketing strategies that may be used at each stage.
- 134) Describe four common methods used to set the total budget for advertising.
- 135) Explain the four distinct characteristics that all forms of direct marketing have in common.
- 136) Marketers can choose from two basic promotion mix strategies—push promotion or pull promotion. Compare these two strategies.
- 137) Explain how advertising may change as a product moves from the introductory stage to the growth stage of the product life cycle.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 138) How are advertising and direct marketing different? 138) _____
- 139) How are consumers changing in the new marketing communications landscape? 139) _____
- 140) Why do some marketers predict a marketing "chaos scenario"? 140) _____
- 141) Why should a company be concerned about integrating communications from different sources within the company? 141) _____
- 142) How do integrated marketing communications (IMC) build brand identity? 142) _____
- 143) Who are the industry people best equipped to deal with our new fragmented media universe? 143) _____
- 144) Why is the consumer's field of experience of interest to a marketer? 144) _____
- 145) In the communication process, what is noise and why is it important? 145) _____
- 146) Several people believe that the iPhone is the best cellphone for them. How did Apple move them to the conviction stage of buyer-readiness? 146) _____
- 147) Describe the three types of appeals marketers use. 147) _____
- 148) What role does message format play in print advertisements? 148) _____
- 149) If a message is to be carried over the radio, what elements of message format should be considered? 149) _____
- 150) Why do marketers value opinion leaders? 150) _____
- 151) Explain how the message source affects consumers' perceptions of the message. 151) _____
- 152) When is it most advisable to predominantly use advertising in a promotion mix? 152) _____
- 153) When is it advisable to predominantly use personal selling in a promotion mix? 153) _____
- 154) When is it advisable to predominantly use sales promotions in a promotion mix? 154) _____
- 155) Do business-to-business marketers push or pull? 155) _____
- 156) Why should today's marketers create compatible themes, tones, and quality across all communications media? 156) _____

157) Explain the three-day cooling off rule.

157) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

Refer to the scenario below to answer the following questions.

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

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

By 2003, Barb hired another two full-time employees to begin Sparkle's new endeavor: carpet cleaning in homes and offices.

"Competition was getting tough for both of our services at that point," Barb added. "We ran a local radio spot three times each week. Then we had an advertiser print coupons on placemats. That gave us a little more exposure."

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

158) Which of the following would be the LEAST effective way for John and Barb to reach new potential customers? 158) _____

- A) word-of-mouth influence
- B) network television advertising
- C) buzz marketing
- D) direct marketing
- E) public relations

159) In a recent radio spot, John and Barb gave a quick explanation of Sparkle's cleaning process and a description of the value consumers receive for their money. This is an example of a(n) _____. 159) _____

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

160) When Sparkle Janitorial ran a local radio spot three times a week, they were using which of the following tools in the marketing communications mix? 160) _____

- A) sales promotion
- B) advertising
- C) personal selling
- D) direct marketing
- E) public relations

161) When Sparkle Janitorial developed coupons for their services, they were using which of the following tools in the marketing communications mix? 161) _____

- A) advertising
- B) public relations
- C) direct marketing
- D) sales promotion
- E) personal selling

- 162) To communicate effectively, the Mayes need to understand how communication works. When crafting communications messages, they represent the _____. 162) _____
 A) noise B) medium C) sender D) decoder E) feedback
- 163) If a potential customer is distracted when listening to the radio and misses the Sparkle Janitorial commercial, the communications message has been affected by _____. 163) _____
 A) noise B) encoding C) decoding D) the source E) feedback
- 164) A portion of Sparkle's target audience knows very little about the company and the services it offers. Which of the buyer-readiness stages is reflected by this group? 164) _____
 A) awareness B) purchase C) liking D) preference E) conviction
- 165) The Mayes would like to use communications to move the group that knows about Sparkle Janitorial to having favourable feelings about the company and its services. The goal of these communications will be to reach the _____ phase. 165) _____
 A) liking B) conviction C) awareness D) preference E) purchase
- 166) To date, the Mayes have been setting the promotion budget for Sparkle Janitorial at the level they think is reasonable based on the available budget. This is known as the _____ method. 166) _____
 A) objective-and-task
 B) affordable
 C) budget
 D) percentage-of-sales
 E) competitive-parity
- 167) The Mayes could monitor competitors' advertising or get industry promotion spending estimates from publications or trade associations, and then set their promotional budgets based on the industry average. This is known as the _____ method. 167) _____
 A) competitive-parity
 B) affordable
 C) budget
 D) objective-and-task
 E) percentage-of-sales

Answer Key

Testname: UNTITLED2

- 1) C
- 2) D
- 3) A
- 4) A
- 5) A
- 6) B
- 7) A
- 8) C
- 9) E
- 10) D
- 11) E
- 12) A
- 13) C
- 14) B
- 15) C
- 16) A
- 17) A
- 18) E
- 19) E
- 20) A
- 21) A
- 22) D
- 23) D
- 24) A
- 25) D
- 26) D
- 27) A
- 28) A
- 29) B
- 30) B
- 31) B
- 32) A
- 33) E
- 34) A
- 35) E
- 36) A
- 37) B
- 38) D
- 39) D
- 40) C
- 41) D
- 42) B
- 43) C
- 44) A
- 45) E
- 46) E
- 47) D
- 48) B
- 49) C
- 50) B

Answer Key

Testname: UNTITLED2

- 51) E
- 52) B
- 53) A
- 54) C
- 55) A
- 56) B
- 57) B
- 58) A
- 59) E
- 60) A
- 61) E
- 62) C
- 63) A
- 64) C
- 65) A
- 66) E
- 67) B
- 68) B
- 69) E
- 70) C
- 71) B
- 72) E
- 73) A
- 74) D
- 75) E
- 76) D
- 77) E
- 78) A
- 79) B
- 80) D
- 81) A
- 82) C
- 83) B
- 84) A
- 85) A
- 86) E
- 87) C
- 88) E
- 89) C
- 90) C
- 91) C
- 92) E
- 93) B
- 94) C
- 95) E
- 96) A
- 97) TRUE
- 98) FALSE
- 99) FALSE
- 100) TRUE

Answer Key

Testname: UNTITLED2

- 101) TRUE
- 102) TRUE
- 103) FALSE
- 104) TRUE
- 105) FALSE
- 106) TRUE
- 107) FALSE
- 108) FALSE
- 109) FALSE
- 110) FALSE
- 111) FALSE
- 112) FALSE
- 113) TRUE
- 114) FALSE
- 115) TRUE
- 116) TRUE
- 117) FALSE
- 118) TRUE
- 119) TRUE
- 120) TRUE
- 121) FALSE
- 122) TRUE
- 123) TRUE
- 124) TRUE
- 125) TRUE
- 126) FALSE
- 127) Advertising is any paid-for or nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor. Sales promotion includes short-term incentives to encourage the purchase or sale of a product or service. Public relations includes building good relations with the company's various publics by obtaining favourable publicity, building up a good corporate image, and handling or heading off unfavourable rumours, stories, or events. Personal selling includes a personal presentation by the firm's sales force for the purpose of making sales and building customer relationships. Direct marketing includes direct connections with carefully targeted individual consumers to obtain an immediate response and cultivate lasting customer relationships—the uses of telephone, mail, the Internet, and other tools to communicate directly with specific customers.
- 128) In the past, marketers relied heavily on mass marketing. Today, however, mass markets have fragmented, consumers are better informed and sweeping changes in technology have changed how companies and consumers communicate with each other. These three factors have led to a new marketing communications model that is specialized to reach smaller customer segments with messages that are more personalized. Mass marketing can no longer be solely relied upon to deliver a marketer's message. Although these changes may frighten marketing communicators, these changes afford tremendous opportunities to reach new customers and strengthen relationships with existing customers.
- 129) IMC calls for recognizing all contact points where the customer may encounter the company and its brands. A company wants to deliver a consistent and positive message with each contact. IMC ties together all of the company's messages and images, avoiding the confusion that can arise from customers receiving varied messages from a variety of media.
- 130) Encoding is the process of putting thought into symbolic form. Decoding is the process by which the receiver assigns meaning to the symbols encoded by the sender. In addition, response refers to the reactions of the receiver after being exposed to the message. Feedback is the part of the receiver's response communicated back to the sender.

Answer Key

Testname: UNTITLED2

- 131) The marketers of Benadryl are the sender. These marketers encoded their ideas into the actual message, which includes the images and text of the advertisement. The medium for this communication is the page in *Better Homes and Gardens*. The receiver is anyone reading the magazine who sees this page of advertising; the receiver may or may not decode the message in the way the marketers intended. Noise could pop up at any stage of the communication process.
- 132) In preparing marketing communications, the marketer's first task is to identify the target audience and its characteristics. Next, the market has to determine the communication objectives and define the response sought, whether it is awareness, knowledge, liking, preference, conviction, or purchase. Then a message should be constructed with an effective content and structure. Media must be selected, both for personal and nonpersonal communication. The marketer should find highly credible sources to deliver messages. Finally, the communicator must collect feedback by watching how much of the market becomes aware, tries the product, and is satisfied in the process.
- 133) The six buyer-readiness stages are awareness, knowledge, liking, preference, conviction, and purchase. A marketer might use "teaser" ads to create interest and curiosity at the awareness stage. Next, marketers want to inform potential buyers of the product's high quality and its many features. Beyond knowledge, marketers want to move consumers to have stronger feelings about the product, going from liking to preference to conviction, or believing that a product is the best for them. A combination of promotion tools can be used to create positive feelings and a customer connection with the brand. The final stage is purchase, which marketers may influence through the use of premiums, add-ons, or rebates.
- 134) Using the affordable method, a company sets a promotion budget at the level it thinks it can afford. Using the percentage-of-sales method, a company sets a promotion budget at a certain percentage of current or forecasted sales. Using the competitive-parity method, a company sets a promotion budget based on competitors' outlays. Using an objective-and-task method, a company sets a promotion budget based on what it wants to accomplish with promotion.
- 135) Direct marketing is *less public*: The message is normally directed to a specific person. Direct marketing is *immediate* and *customized*: Messages can be prepared very quickly and can be tailored to appeal to specific consumers. Finally, direct marketing is *interactive*: It allows a dialogue between the marketing team and the consumer, and messages can be altered depending on the consumer's response. Thus, direct marketing is well suited to highly targeted marketing efforts and to building one-to-one customer relationships.
- 136) Using the pull strategy, the producer directs its marketing activities toward final consumers to induce them to buy the product; if the pull strategy is effective, consumers will then demand the product from channel members who will in turn demand it from producers. Using a push strategy, the producer focuses instead on the channel members, persuading them to carry the product and promote it to final consumers.
- 137) Because there may be little awareness or little information generated about products in the introductory stage of the life cycle, marketers may spend large amounts of promotional dollars toward creating awareness. As the product moves into the growth stage, many competitors may enter the market in an attempt to move the product out of the way; in such cases, marketers may continue spending large amounts of promotional dollars for advertising. However, at this point, the marketer may decide to attempt to persuade consumers to buy based on specific product or company attributes, or to compare their product with competing products in an attempt to convince consumers that their product is superior. At the decline stage, advertising is kept at a reminder level.
- 138) Advertising is the nonpersonal promotion of ideas, goods, or services, while direct marketing is the promotion of ideas, goods, or services to carefully targeted individuals.
- 139) In this digital, wireless age, consumers are better informed and more communications empowered. Rather than relying on marketer-supplied information, they can use the Internet and other technologies to seek out information on their own. More than that, they can more easily connect with other consumers to exchange brand-related information or even to create their own marketing messages.
- 140) Some experts believe that the traditional mass-media communications will cease to exist and will be entirely replaced by new digital technologies that permit more targeted and personalized marketing.
- 141) Customers won't separate conflicting or varying messages from different sources within a company, so failing to integrate communications could lead to blurred consumer brand perceptions.
- 142) IMC builds brand identity and strong customer relationships by tying together all of the company's messages and images.

Answer Key

Testname: UNTITLED2

- 143) The people best equipped to deal with this new world are not the big creative agencies. Instead, it is the direct marketers who are perfect for the Web—the folks who've always interacted directly with individual consumers. As the media fragment and reform, media buyers—once consigned by the creative agencies to back-office obscurity—are playing a much bigger role in helping clients figure out where they should spend their advertising budgets.
- 144) The marketing communicator must understand the consumer's field of experience in order to create promotional messages that will be decoded as the sender intends them to be understood.
- 145) Noise is the unplanned static or distortion during the communication process, which results in the receiver getting a different message than the one the sender sent. The consumer is distracted and misses the key point.
- 146) Advertising built an emotional brand connection and illustrated the iPhone's design and features. Press releases and other public relations activities helped build anticipation for the release of the iPhone. And a packed website informed potential buyers about technical specs, FAQs, software updates, and rate plans with partners.
- 147) Rational appeals relate to the consumer's self-interest; emotional appeals attempt to stir up either positive or negative emotions; moral appeals are directed to the consumer's sense of what is "right" and "proper."
- 148) In a print ad, for example, the headline, copy, illustrations, and colour are critical. To attract attention, the advertiser may use novelty, contrasts, or eye-catching headlines.
- 149) The communicator has to choose words, sounds, and voices. The "sound" of an ad promoting banking services should be different from one promoting an iPod.
- 150) Opinion leaders are people whose opinions are sought by others. Marketers rely on opinion leaders to positively influence the spread of product or service acceptance through a market.
- 151) The message source will affect how the consumer perceives the message. For example, highly credible sources—such as certain newspapers—will be more persuasive. In some cases, the use of celebrity testimonials works well to persuade consumers to make the purchase.
- 152) Advertising works well when the marketer's goal is to reach geographically dispersed groups of consumers. In addition, advertising works well when the marketer wants to control the intended message geared toward a specific group of consumers. Advertising also allows the marketer to repeat a message many times.
- 153) Personal selling works well when the marketer's goal is to build up buyers' preferences, convictions, and actions. Personal selling allows marketers to build personal relationships with the prospective buyers and allows marketers to provide demonstrations directly to an intended audience. Many industrial companies prefer personal selling to other promotional tools.
- 154) Sales promotions are used to invite and reward quick response. Sales promotions are short-lived; therefore, sales promotions are used when the marketer intends to make a quick, dramatic impact on an intended audience with the use of coupons, samples, contest, etc.
- 155) Business-to-business marketers tend to "push" more, putting more of their funds into personal selling, followed by sales promotion, advertising, and public relations.
- 156) To truly integrate the promotional mix, today's marketers must make sure each element carries the company's unique primary messages and selling points. This consistency achieves greater impact and prevents the unnecessary duplication of work across functions.
- 157) Most provincial governments have legislated a three-day cooling-off rule that gives special protection to customers who are not seeking products. Under this rule, customers who agree in their own homes to buy something costing more than \$25 have 72 hours in which to cancel a contract or return merchandise and get their money back, no questions asked.
- 158) B
- 159) E
- 160) B
- 161) D
- 162) C
- 163) A
- 164) A
- 165) A
- 166) B

Answer Key

Testname: UNTITLED2

167) A