

**Test Bank for Advertising and Integrated Brand Promotion 7th
Edition OGuinn Allen Semenik Close 1285187814
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1. In the new world of advertising, mass media is nonexistent.

- a. True
- b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

2. Consumer preferences and new technologies are reshaping the communication environment.

- a. True
- b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Knowledge

3. The organization that pays for an advertisement is referred to as the client.

- a. True
- b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

4. A brand that does not meet customer needs can still be very successful if it advertises its products extensively.

a. True

b. False

ANSWER: False *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Comprehension

5. Kristen Cross, an actress, was interviewed by news reporters about what she thought her fans should know about her new movie. This would be considered as an advertisement.
- a. True
 - b. False

ANSWER: False *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

6. A television commercial showing the effects of smoking displays a fresh apple and another that has decayed. The ad states, "Smoking kills." The commercial was paid for by a medical company. This is an example of a public service announcement.
- a. True
 - b. False

ANSWER: False *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

7. A firm that manufactures a device that alleviates sleep apnea, produces a television commercial that delivers facts about the product. Therefore, the objective of the ad is not to persuade the customer because the ad is purely informational.
- a. True
 - b. False

ANSWER: False *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

8. Orange Inc., a cell phone manufacturer, has launched promotions of its new product in local newspapers, billboards, and the company's website, and has distributed flyers in local universities. This is an example of an integrated brand promotion.
- a. True
 - b. False

ANSWER: True *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

9. Integrated brand promotion (IBP) tools include various types of advertising, but does not include traditional advertising forms.
- a. True
 - b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

10. An advertisement refers to a specific message that an organization has created to persuade an audience.
- a. True
 - b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

11. Mass-mediated communication has three major components: production, accommodation, and distribution.
- a. True
 - b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

12. A target audience is a particular group of consumers singled out by an organization for an advertising or IBP campaign.
- a. True
 - b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Knowledge

13. A producer of educational materials wants to deliver an advertising message to an audience of teachers and principals. In this scenario, personal selling would be the best option because this tool is appropriate for large groups of people.
- a. True
 - b. False

ANSWER: False *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

14. Government officials are the most conspicuous audience category in that most mass media advertising is directed at them.
- a. True
 - b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Knowledge

15. Blitz, a popular kitchen appliances manufacturer, launches its new line of blenders. To promote its product, it uses the same billboard ads across different countries around the world. This is an example of international advertising.
- a. True
 - b. False

ANSWER: False *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

16. Harry's World is a department store that operates in three different states in the country of Rhodia. Harry's World advertises its stores only in these three states. This is an example of regional advertising.
- True
 - False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

17. The marketing mix involves four areas of responsibility—conceiving, pricing, promoting, and distributing—involved in the promotion of goods, services, or ideas.
- True
 - False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

18. Advertising is only one area of the marketing mix, and it represents only one of the many different integrated brand promotion tools used in the marketing mix.
- True
 - False

ANSWER: True *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Comprehension

19. A brand variant is created when a company adapts and expands its current brand into a new product area.
- True
 - False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Knowledge

20. Brand equity occurs over a short period of time.

- a. True
- b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

21. Consumers' perceptions can be based on tangible differences or on image and style factors.

- a. True
- b. False

ANSWER: True *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Comprehension

22. The essential task for advertising is to develop a message that is different and unmistakably linked to a company's brand. a.

- True b.
- False

ANSWER: True *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Comprehension

23. Cuddles, a baby's retail clothing brand, uses the softest cotton wool that enables its products to stand out from those of its competitors. Cuddles has used external positioning to stand out over its competitors.

- a. True
- b. False

ANSWER: True *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

24. The marketing process is designed to generate revenue for the firm.

- a. True
- b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Knowledge

25. When an organization creates large-scale demand for its brand, the quantity of product produced is increased which leads to higher unit production costs.

- a. True
- b. False

ANSWER: False *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Comprehension

26. Primary demand stimulation is likely to have an impact only on those products that have been in the market for a long time.

- a. True
- b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Knowledge

27. A late-night television commercial for kitchen appliances urges viewers to respond to the ad. It states, "Call this toll-free number in the next 30 minutes to receive a free cutting board" and assures them that "Operators are on duty." This is an example of direct response advertising.

- a. True
- b. False

ANSWER: True *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

28. Delayed response advertising relies on imagery and message themes that emphasize the benefits and satisfying characteristics of a brand.

- a. True
- b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

29. Gross domestic product is the measure of the total value of goods and services produced by an organization.

- a. True
- b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

30. Advertising is related to the gross domestic product in that it can contribute to levels of overall consumer demand when it helps introduce new products.

- a. True
- b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

31. When a brand is perceived by consumers as one in which the value of products is lower than its costs, the brand is said to have brand equity.

- a. True
- b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Knowledge

32. Symbolic value differs from social meaning in that social meaning refers to what a product or services means to an organization in a non-literal way.

- a. True
- b. False

ANSWER: False *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Comprehension

33. Social meaning refers to what a product or service means in a societal context.

- a. True
- b. False

ANSWER: True

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Knowledge

34. Integrated marketing communication lays emphasis on communication, and not on the brand.

- a. True
- b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-5

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

35. To survive in today's marketplace, contemporary businesses and organizations are strongly focusing on one single concept—communication.

- a. True
- b. False

ANSWER: False

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-5

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

36. Firms have not fully exploited all the opportunities that _____ has to offer through communication via devices like smartphones or iPads.
- broadcast media
 - mobile marketing
 - personal selling
 - print media

ANSWER: b **DIFFICULTY:**
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Comprehension

37. Which of the following is true regarding advertising?
- Advertising is external to the social interaction process.
 - Advertising is solely responsible for the increase of product sales.
 - Advertising plays a pivotal role in world commerce.
 - Advertising is a simple communication process.

ANSWER: c

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thin - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

38. KidsCause, a metropolitan outreach organization that collects and donates toys for needy children, buys airtime on WXXY (a local TV station) to promote its annual toy collection. Amazing Ads, a local ad agency, shoots the video and produces a 30-second commercial and Downtown Deli donates sandwiches for volunteers on the days that KidsCause collects, wraps, and distributes toys. In this promotional effort, who is the client?
- Amazing Ads
 - Downtown Deli
 - WXXY
 - KidsCause

ANSWER: d **DIFFICULTY:**
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

39. Public service announcements (PSAs):
- a. are a type of advertising that are run by nonprofit organizations.
 - b. are commercial they way that ads are.
 - c. attempt only persuade and not to inform.
 - d. are not paid for like an ad.

ANSWER: d

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thin - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

40. Rachel, the mayor of Genovia, had recently appeared on a local news telecast. She stated that she should be re-elected because she contributed to the increased rate of employment in the metropolitan area. In order for her message to be considered as an advertisement, which of the following conditions should be met?
- a. The message must be noncommercial.
 - b. There must be a public service announcement included.
 - c. The airtime must be paid for.
 - d. The message must involve the promotion of a product.

ANSWER: c *DIFFICULTY:*

Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

41. "Make love, not war" stated at the end of a radio station broadcast is an example of:
- a. a mobile advertisement.
 - b. influencer marketing.
 - c. personal selling.
 - d. a public service announcement.

ANSWER: d

DIFFICULTY: Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

42. Which of the following is an essential criteria for communication to be considered as an advertisement?
- The communication must be noncommercial.
 - It must be a mass-mediated attempt to persuade.
 - The message conveyed must be short.
 - It must involve face-to-face communication.

ANSWER: b *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Comprehension

43. Based on the criteria that defines advertising, which of the following examples would be considered as advertising?
- A candidate for city council going door-to-door urging people to vote for her
 - A car manufacturer stating the efficiency of its product to motivate customers to make a purchase
 - A public service announcement about the dangers of talking on the phone while driving
 - An actor being interviewed on television about his campaign to aid people with physical disabilities

ANSWER: b *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

44. YouStock, an online broker, pays for a 60-second television commercial to be telecast during the Football World Cup. The commercial promotes the reliability of YouStock's advice, expertise, and personal attention in assisting online customers with stock portfolio creation and management. The spot created by YouStock is:
- a public service announcement.
 - a point-of-purchase advertisement.
 - representative of personal selling.
 - an advertisement promoting a service.

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

45. Integrated brand promotion (IBP) can be defined as:
- the collaboration of two or more brands within a single advertisement with the intent of sharing costs.
 - the coordination of a number of promotional tools to create widespread brand exposure.
 - a company's decision to focus on a wide range of traditional advertising forms to replace nontraditional forms.
 - a unique concept seen mainly in local advertising campaigns.

ANSWER: b

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

46. Which of the following is true of integrated brand promotion (IBP)?
- It is a simple process.
 - It uses promotional tools that do not need to be evaluated.
 - It prevents the exposure of a brand.
 - It allow marketers to reach target customers in different ways.

ANSWER: d

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

47. Nature Fresh, a local grocery store chain, has decided to run a series of advertisements. For this to be considered as an advertising campaign, Nature Fresh's ads must:
- focus on store products rather than store services.
 - target a mass audience.
 - appear in print media.
 - be unpaid communication.

ANSWER: b

DIFFICULTY: Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

48. The two major components of the mass-mediated communication model are:
- primary demand and selective demand.
 - advertiser and consumer.
 - internal position and external position.
 - production and reception.

ANSWER: d

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

49. In the model of mass-mediated communication, the:
- producers of the message control the reception of the content.
 - producers of the message control the interpretation of the content.
 - consumers interpret ads in a way that makes sense to them individually and serves their needs.
 - receiver's interpretations are invariably compatible with what the producer intended to convey.

ANSWER: c *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Comprehension

50. Brad and his wife, Carla are watching a commercial that they've never seen before. Brad thinks that the ad is humorous. However, Carla finds the ad monotonous and uninteresting. This example illustrates that:
- ads are interpreted differently based on a person's experiences and beliefs.
 - what a message means to any given consumer is a function an isolated solitary thinker.
 - the ad is communicated effectively to its target audience.
 - the ad contains the same meaning for all audience members.

ANSWER: a *DIFFICULTY:*

Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-2

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

51. During the National Basketball Championship, a national sports equipment manufacturer runs an edgy, fast-paced commercial featuring a well-known hip hop artist. A group of university students watching the ad in a fraternity house interprets the commercial in roughly the same way. Which of the following is a reason why audience members share a similar interpretation of the ad?
- The backgrounds and value systems of audience members are similar.
 - The interpretation of an ad is a function of an isolated solitary thinker.
 - Ads contain a single meaning for all members of a target audience.
 - Communication is inherently an individual process and not a social process.

ANSWER: a *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-2

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

52. A particular group of consumers that is singled out by an organization for its advertising or integrated brand promotion campaign is called:
- a target audience.
 - cooperative advertising.
 - a focus group
 - a sponsorship.

ANSWER: a
DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Knowledge

53. The promotional tool used most often to communicate with members of a trade channel is personal selling. Which of the following is a reason behind this?
- Personal selling is the most inexpensive form of communication.
 - Members of trade channels are the most conspicuous audience.
 - Members of trade channels are the target audience for producers of only household products.
 - The target audience represents a relatively small, easily identifiable group.

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

54. HireUp Inc., a recruitment agency, has launched a series of advertisements about its capabilities in effectively managing firms' labor forces. Which of the following audience categories is HireUp most likely targeting?
- Household members
 - Members of business organizations
 - Professionals
 - Government employees

ANSWER: b **DIFFICULTY:**
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

55. Members of trade channels include:
- not-for-profit businesses.
 - retailers.
 - household consumers.
 - government officials.

ANSWER: b
DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Knowledge

56. Which of the following is considered as a member of a trade channel?
- Wholesalers
 - Household consumers
 - Government employees
 - Philanthropic groups

ANSWER: a
DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Knowledge

57. Which of the following would be considered as a trade journal?

- a. A publication written for health professionals
- b. An e-zine for emerging writers to publish their work
- c. A magazine for fitness enthusiasts
- d. A newspaper carrying news articles about a particular city

ANSWER: a *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

58. The advertising aimed at government officials and employees is dominated by:

- a. local and regional television commercials.
- b. point-of-purchase advertising and influencer marketing.
- c. direct mails, catalogs, personal selling, and Web ads.
- d. event sponsorships.

ANSWER: c
DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

59. Samsonic is the leading manufacturer of televisions in the world. It has created a new advertisement that it wants to be aired all over the world, changing only the language for each country. This is an example of:

- a. national advertising.
- b. international advertising.
- c. regional advertising.
- d. global advertising.

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

60. Which of the following is an example of international advertising?
- a. Crispy Cracks promoting their new line of cracker at the Olympics
 - b. Flextronic advertising its flat-screen TVs in different states of a country
 - c. Radicle creating different versions of its new detergent ad for various countries
 - d. Unicorn featuring its “unicorn” logo on gear worn by tennis players

ANSWER: c *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

61. Cryptic Inc., a literary publisher, has established offices in more than 20 states in Lentasia. Additionally, it has advertised in all states of the country. This is an example of _____ advertising.
- a. local
 - b. national
 - c. regional
 - d. global

ANSWER: b *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

62. WoodChuck Inc., a furniture retailer, establishes itself in the North-east state of Largonía and has spread to many other states within the country. It has conducted promotional activities in all of these states to create awareness among the public about its products. This is an example of _____ advertising.
- a. global
 - b. local
 - c. cooperative
 - d. regional

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

63. A family-owned meat shop has expanded to four locations within the Preston area and suburbs, running regular promotions in the daily editions of The Preston City Star newspaper. These newspaper ads are forms of _____ advertising.
- a. local
 - b. trade
 - c. regional
 - d. national

ANSWER: a *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

64. When national companies and local merchants share advertising expenses, they are taking part in _____.
- a. brand extension
 - b. international advertising
 - c. cooperative advertising
 - d. trade channeling

ANSWER: c

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Knowledge

65. Which of the following is one of the four areas of responsibility in the marketing mix?
- a. Price
 - b. Communication
 - c. Convenience
 - d. Process

ANSWER: a

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

66. Which of the following is an example of a brand extension?
- a. Tracker, a company selling security systems, advertises its product on a local television network.
 - b. Dog Handler, a manufacturer of leashes for dogs, collaborates with a competitor to expand its market base.
 - c. Blossoms, a women's perfume line, advertises its new line through sales promotions and point-of-purchase advertising at department stores.
 - d. The manufacturers of Cocoa flakes, a popular cereal, launches a biscuit called "Cocoa crunch" in a new product category.

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

67. Market segmentation is the process of:
- a. creating advertising strategies to reach out to a wide consumer base.
 - b. creating a new product line that is relatively different from the firm's existing product line.
 - c. breaking down a large widely varied market into more similar sub-markets.
 - d. identifying competitors in the market that could be possible threats to the success of the company.

ANSWER: c *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Comprehension

68. ____ is the process of creating a perceived distinction between an organization's brand and a competitor's brand. a. Market analysis
- b. Co-op advertising
 - c. Market segmentation
 - d. Differentiation

ANSWER: d

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Knowledge

69. Which of the following is a similarity between the market strategies, positioning and differentiation?
- a. Both involve standardizing and regularizing products.
 - b. Both depend on a perceived image of tangible or intangible features.
 - c. Both involve marketing products in a way that make them seem similar to competitors' products.
 - d. Both involve targeting a small market segment.

ANSWER: b *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Comprehension

70. Effective internal positioning is accomplished by:
- a. distributing products to a market that is wider than those of one's competitors.
 - b. using advertising to compare a product's distinctions from those of one's rival firms.
 - c. developing brand features and values that are distinctive from the competition.
 - d. developing vastly different products within the firm's product line.

ANSWER: d
DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Knowledge

71. If Caltec Corp., a computer manufacturer, increased the number of computers produced to twice the amount it used to, the economies of scale would:
- a. lower the fixed cost per unit.
 - b. increase the fixed cost per unit.
 - c. increase the variable costs.
 - d. lower the defect rate of products.

ANSWER: a *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

72. The customers of TimeZone watches have high brand loyalty and although the watches are priced at high rates, TimeZone's customers are willing to pay the market price of the product. This is an example of _____.
a. low brand equity
b. market segmentation
c. economies of scale
d. inelasticity of demand

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

73. Which of the following is true of inelasticity of demand?
a. The supply of the product is greater than its demand.
b. Consumers are less sensitive to price increases.
c. Customers have low brand loyalty.
d. It leads firms to decrease profit margins.

ANSWER: b *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Comprehension

74. CoolNature, a manufacturer of mineral water, has recently launched its product in the market. It starts a rigorous advertising campaign to highlight the benefits of its product. This is an example of _____.
a. selective demand stimulation
b. economies of scale
c. market segmentation
d. primary demand stimulation

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Application

75. RomTech, a cell phone manufacturer, displays in its advertisement that its products are better than others in the market because they are waterproof and scratch proof. This is an example of _____.
a. selective demand stimulation
b. economies of scale
c. inelasticity of demand
d. direct response advertising

ANSWER: a *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Application

76. Sparkles Inc. has launched an advertisement on a local television channel. The ad promotes the new set of Acrylic paints and informs customers that the first five people who call in the next two days would receive a free sample. This is an example of _____.
a. direct response advertising
b. personal selling
c. delayed response advertising
d. internal positioning

ANSWER: a *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

77. _____ attempts to develop brand awareness and preference over time, as well as emphasize the benefits of using that brand.
a. Delayed response advertising
b. Co-op advertising
c. Direct response advertising
d. Sales promotion

ANSWER: a
DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Knowledge

78. Which of the following slogans is an example of corporate advertising?

- a. "Ohh-Soo-Good" by Yummy's, a biscuit company
- b. "The quick fix stick" by Quicks, a glue manufacturer
- c. "Fizzy! Bubble! Guzzle!" by Fizzy Pop, a soft drink company
- d. "Think creatively" by Helix phones

ANSWER: d *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

79. _____ is a type of advertising that communicates the specific features, values, and benefits of a product offered by a particular company.

- a. Advocacy advertising
- b. Corporate advertising
- c. Brand advertising
- d. Institutional advertising

ANSWER: c

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

80. CarlBerrys, a department store, has launched a series of advertisements inviting people to do their holiday shopping at their store. This is an example of _____.

- a. institutional advertising
- b. delayed response advertising
- c. corporate advertising
- d. advocacy advertising

ANSWER: a *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

81. _____ is the measure of the total value of goods and services produced within an economic system. a.
Gross domestic product
b. Residual income c.
Net present value
d. Gross domestic income

ANSWER: a

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

82. A brand of soup is perceived by consumers as a “good deal,” one that provides a certain level of comfort and satisfaction that goes well beyond the money it takes to purchase a few cans. In this example, the soup is considered to have:
- a. low brand loyalty.
 - b. elasticity of demand.
 - c. economies of scale.
 - d. value.

ANSWER: d *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Application

83. Radical, a men's deodorant brand, displays its product in advertisements as being worn by men who are attractive and popular. This is an example of _____.
- a. symbolic value
 - b. direct response advertising
 - c. selective demand stimulation
 - d. internal positioning

ANSWER: a *DIFFICULTY:*

Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Application

84. The purchase of certain products, such as cars, shoes, and sunglasses, signify class membership. This indicates that these brands have _____.
a. economies of scale
b. social meaning
c. internal positioning
d. low brand equity

ANSWER: b *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Product

KEYWORDS: Bloom's: Comprehension

85. The mixing of various promotional tools is known as _____.
a. integrated marketing communications
b. a marketing mix
c. cooperative advertising
d. market segmentation

ANSWER: a

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-5

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Knowledge

86. Which of the following is a difference between IBP and IMC?
a. IBP ignores the importance of communication whereas IMC does not.
b. IBP focuses more on the need for coordinated and synergistic messages.
c. IMC emphasizes the brand, whereas IBP does not.
d. IBP goes beyond the parameters of IMC.

ANSWER: d *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-5

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Analysis

87. In today's world, what three elements do marketers want to build and maintain through their promotional and advertising efforts?
- Awareness, identity, and preference
 - Attention, curiosity, and response
 - Demand, value, and interaction
 - Information, message, and communication

ANSWER: a

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP.OGUI.15.1-5

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Knowledge

Scenario 1-1

In 1996, a graduate from the University of Maryland, Kevin Plank founded Under Armour, a performance apparel company that now competes with some of the top apparel brands in the industry. During its first ten years of operations, the company was known primarily for its sweat-wicking clothing line. In late 2010, however, Under Armour released its first line of basketball shoes since the company's inception. "Along with the new product line, the company must have a new brand image," said Plank. "I called our marketing team and asked them to go through this building and find anything that says that we are only an apparel brand and throw it away." The company has also removed all advertisements carrying the word "apparel," and will begin exploring new ways to promote the brand. The company hopes its new efforts will allow the company to be viewed as an overall "performance" company, which will ultimately enable it to compete with footwear from powerhouses Nike and Adidas, and will help increase its current 1.1 percent market share.

88. (Scenario 1•1) One of Under Armour's new retail outlets in the U.S. sends a direct mail to 500 households within a one mile radius of the new store. In the email, the store announces the introduction of its new line of basketball shoes and offers incentives to any customer that walks into the store to purchase a pair of shoes from the new line. This direct mail:
- is paid for, mass mediated, and an attempt to persuade; therefore, it can be considered as advertising.
 - is paid for and is an attempt to persuade; however, it is only distributed locally and therefore, cannot be considered as advertising.
 - is not received by a large enough number of people to be considered as advertising.
 - is not a part of an advertising campaign and thus, cannot be considered as advertising.

ANSWER: a *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

89. (Scenario 1•1) Under Armour hopes that changing the company's image from an apparel company to a "performance" brand will help increase its footwear sales. To make consumers aware of the change, Under Armour designs a number of commercials, print ads, and Internet advertisements all focusing on the company's new motto, and immediately begins to apply them. All these elements make up a(n) _____.
- international advertising campaign
 - cooperative advertising campaign
 - advertising campaign
 - promotional mix

ANSWER: c *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

90. (Scenario 1-1) John receives a direct mail from Under Armour that offers a free poster of basketball star, Brandon Jennings wearing a pair of the company's new shoes. John likes the company's promotional offer. Chang, who also receives the same direct mail, is not impressed by the offer and puts it aside after glancing through it. The differing reactions to the promotional effort are most likely the result of:
- varying content.
 - different interpretations of the ad.
 - similar characteristics of the target market.
 - the rules and regulations of the direct mail medium.

ANSWER: b *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

91. (Scenario 1•1) To promote Under Armour's new brand image, the firm has launched large scale advertising in three different countries, making a minor change in the physical appearance of the ad by using a different actor from each country. This is an example of _____ advertising.
- international
 - global
 - cooperative
 - national

ANSWER: b *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

92. (Scenario 1-1) The marketing team of Under Armour has come up with a strategy to advertise their shoes as a product that makes walking and running pleasurable. Marketing the shoes in this manner creates a perceived difference in the minds of customers. This is an example of _____.
- a. internal positioning
 - b. brand extension
 - c. differentiation
 - d. market segmentation

ANSWER:

c DIFFICULTY:

Challenging

LEARNING OBJECTIVES: AIBP. OGUI. 15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

Scenario 1-2

Chug Enterprises is planning to create a new line of products and enter into the sports drink market. They plan to advertise the first product to teenagers as being the best-tasting sports drink in the market. The second product will be advertised to adults as being the lowest calorie sports drink one can buy. The third product will be advertised to senior citizens as containing calcium, a mineral needed to maintain a healthy bone structure. Each product will have separate, distinctive packaging.

93. (Scenario 1-2) To help build brand awareness, customer preference, and loyalty, Chug Enterprises plans a coordinated campaign using a variety of tools such as advertising in mass media, direct marketing, and Internet advertising. This process of combining coordinated communication to help customers identify and evaluate the relevance of Chug Enterprises's products to their lives and value systems is known as _____.
- a. brand extension
 - b. integrated brand promotion
 - c. advocacy advertising
 - d. institutional advertising

ANSWER:

b DIFFICULTY:

Challenging

LEARNING OBJECTIVES: AIBP. OGUI. 15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

94. (Scenario 1-2) For its second product to be successful, Chug Enterprises believes that it must effectively target the youth. To do this, the company uses influencer marketing. In such a scenario, which of the following is the company most likely using?
- Personal selling
 - Free sampling
 - Peer-to-peer persuasion
 - Coupons and rebates

ANSWER: c **DIFFICULTY:**

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

95. (Scenario 1-2) The company launched the third product for senior citizens in the Baltonian market and their efforts were highly successful. Chug Enterprises now plans to introduce it worldwide. However, the way senior citizens perceive products vary from culture to culture. Thus, Chug Enterprises should engage in:
- cooperative advertising.
 - international advertising.
 - national advertising.
 - regional advertising.

ANSWER: b **DIFFICULTY:**

Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

96. (Scenario 1-2) Chug Enterprises created the three products in a way that it appeals to separate target markets. This was done to prevent its products from competing with one another for market share. This shows that Chug Enterprises understands the importance of:
- internal positioning.
 - external positioning.
 - inelasticity of demand.
 - selective demand stimulation.

ANSWER: a **DIFFICULTY:**

Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

97. (Scenario 1-2) Chug's three different sports drinks are very popular in markets across the world. Now, the company plans to launch a similar range of carbonated drinks by building on the popularity of the previous products. This is an example of _____.
- market segmentation
 - national advertising
 - a brand extension
 - a differentiation strategy

ANSWER:

c DIFFICULTY:

Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

Scenario 1-3

In 2006, gaming giant Nintendo launched an innovative motion-sensing gaming console called the Wii. The Wii quickly took over as the leading gaming console because of its unique activity-enabling qualities, and for nearly four years, dominated hardware sales in the gaming industry as any true competition for the product was yet to be introduced. However, this changed in late 2010 as Sony introduced its own motion-detecting gaming system to the market, the Playstation Move. Sony has marketed the product as a superior product to Nintendo's, claiming that it is more precise and flaunts the Playstation's high-quality graphics. Sony's Move has been a topic of great debate, but the reception of the product over the long haul is yet to be seen. To dethrone the Wii, Sony will need to find a way to appeal to those that have not yet bought into "motion-gaming." And of course, it wouldn't hurt if Sony somehow found a way to entice Nintendo followers to switch over to its newest addition to the gaming industry.

98. (Scenario 1-3) Sony created advertisements for its new motion-detecting gaming system to attract the attention of school going children. The school going children are Sony's _____.
- trade channel
 - target audience
 - sponsors
 - clients

ANSWER:

b DIFFICULTY:

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

99. (Scenario 1-3) Which of the following activities, if performed, would be considered as part of Sony's marketing mix?
- a. Forecasting a five year financial plan to expand the firm
 - b. Restructuring the organization to increase employee efficiency
 - c. Hiring more workers into the firm
 - d. Launching an advertisement campaign in schools

ANSWER: d **DIFFICULTY:**
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

100. (Scenario 1-3) Individuals who have been using the Wii do not want to switch to the Move because they relate it to a superior gaming experience and also because it has been in the market for a long time. The Wii is an example of a product that has ____.
- a. brand equity
 - b. brand variance
 - c. brand extension
 - d. elasticity of demand

ANSWER: a **DIFFICULTY:**
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

101. (Scenario 1-3) If Sony uses advertisements that focus on the niche characteristics of Move that Wii does not have, the company is using:
- a. external positioning.
 - b. institutional advertising.
 - c. brand extension.
 - d. internal positioning.

ANSWER: a **DIFFICULTY:**
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

Scenario 1-4

Target, a global discount retailer, generates around 65 billion dollars in sales, annually. Additionally, the company employs more than 360,000 people worldwide. Target stores carry just about every major brand imaginable. Additionally, Target carries a number of its own brands including Market Pantry, Archer Farms, and Up and Up. Each of the brand labels appears on different products throughout the store—for example, the Archer Farms label appears on the retailer’s highest quality foods. The Market Pantry label appears on food items as well, however these items are often sold at a significantly lower price. The Up and Up label is on a large range of products ranging from paper products to household cleaning supplies.

102. (Scenario 1•4) The company's goal is for a product with any one of Target’s in-house brand labels on it to be known by consumers for the values of the brand—both tangible and intangible. Thus, in this scenario, Target's goal is to _____.
- create elasticity of demand
 - conduct market segmentation
 - establish brand loyalty
 - stimulate latent promotion

ANSWER:

c DIFFICULTY:

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

103. (Scenario 1-4) In one city, Walmart, a competing retail outlet, opens a store across the street from Target and a battle for business follows. To distinguish their stores from one another, both retailers create a series of new commercials to help promote their brand. Target’s commercials emphasize the fast, fun and friendly service that it provides for its guests, and uses several celebrity endorsements. Meanwhile, Walmart runs three different commercials that focus on the low prices of its products. This is an example of:
- corporate advertising.
 - internal positioning.
 - external positioning.
 - product placement.

ANSWER:

c DIFFICULTY:

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

104. (Scenario 1•4) In a majority of Target’s promotions, the store is marketed as “upscale,” and this is demonstrated through its prices, which are generally higher than its biggest competitor, Walmart. Still, even in times of recession, Target continues to increase its annual revenues and retain many of its customers. This can be attributed to:
- Target’s low brand equity.
 - the inelasticity of demand shown by many of the company’s customers.
 - Target’s increase in gross domestic product (GDP).
 - the elasticity of demand shown by many of the company’s customers.

ANSWER:

b DIFFICULTY:

Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Pricing

KEYWORDS: Bloom's: Application

105. (Scenario 1-4) In a local newspaper, Target purchases and runs a message that does not refer to any of the products it carries. Instead, it mentions that employees from each of its national stores contribute to community projects such as The United Way. This is an example of:
- corporate advertising.
 - a public service announcement.
 - direct response advertising.
 - advocacy advertising.

ANSWER:

a DIFFICULTY:

Challenging

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

Scenario 1-5

Exodus Moving is a small business that was created to serve local furniture stores' delivery needs in the Boulder Colorado area. They have specialized equipment that allows them to lift and transfer large, bulky pieces of furniture with less risk of damage than most traditional movers. Many of these furniture stores do not sell enough volume to keep their own trucks and drivers busy all of the time, so Exodus fills a real market need. As a result, most such stores are very interested in outsourcing delivery service needs. Exodus has attracted many customers from these stores by guaranteeing 48 hour delivery within a 50 mile radius of any of the stores they serve. Eventually, Exodus hopes to attract the business of other retailers who might require delivery services.

106. (Scenario 1-5) Exodus marketers limit their advertising to furniture store publications because they perceive that readers of these publications are:
- their target audience.
 - their trade channel.
 - their sponsors.
 - price sensitive.

ANSWER:

a *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Application

107. (Scenario 1-5) Exodus advertises in the trade magazine, Western Interiors, which is read by furniture retailers and interior decorators throughout twelve Western states. Which of the following best describes this type of advertising?
- Local advertising
 - Regional advertising
 - Advocacy advertising
 - Corporate advertising

ANSWER:

b *DIFFICULTY:*

Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

108. (Scenario 1•5) In its sales promotions, Exodus Moving uses the slogan “Swift, Yet Gentler.” This process of creating a distinct place in the customer's mind which is relative to other movers in the market is known as: a. positioning.
b. co-op advertising.
c. advocacy advertising.
d. product standardization.

ANSWER: a **DIFFICULTY:**
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

109. (Scenario 1-5) As a result of vigorous advertising, Exodus has created inelasticity of demand to price changes. Which of the following will hold true in such a situation?
a. The company's customers will have low brand loyalty.
b. The customers will be less sensitive to price increases by the company.
c. The company will need to lower the price of its delivery services.
d. The company will have low brand equity.

ANSWER: b **DIFFICULTY:**
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

110. (Scenario 1-5) Exodus has launched a new camping equipment line which it has promoted on local television networks and magazines. This is an example of:
a. corporate advertising.
b. a primary demand stimulation.
c. direct response advertising.
d. a selective demand stimulation.

ANSWER: b **DIFFICULTY:**
Moderate

LEARNING OBJECTIVES: AIBP.OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Promotion

KEYWORDS: Bloom's: Application

Scenario 1-6

Gillette M3Power—a MACH3 razor innovation—is a groundbreaking, powered wet shaving system for men that delivers a totally new shaving experience resulting in Gillette's best shave. M3Power builds on the heritage of MACH3 and combines Gillette's latest and best razor and blade technologies. M3Power outperforms all other blades and razors in closeness, comfort, and safety during and after the shave. Gillette M3Power features other innovations beyond power: new blades featuring PowerGlide™—an enhanced blade coating for incredible glide and maximum comfort, a moisturizing Indicator Lubrastrip and a technologically-advanced handle (www.Gillette.com). Recently, Gillette Co. sent direct mailers to users of competing male products, throughout the United States, a free MACH3Power razor with blades and a coupon offer. In addition, a series of coordinated advertisements to male customers were developed to increase awareness of this product. Gillette said that its goal was to have a market awareness rate of 70 percent within four months.

111. (Scenario 1-6) Gillette advertises its razors at every popular sports event that takes place in the country. It also uses billboard ads and television commercials to display a person using a multi-blade razor with the slogan "the best a man can get". This is an example of ____.
- a. integrated brand promotion
 - b. direct response advertising
 - c. institutional advertising
 - d. mobile marketing

ANSWER: a *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

112. (Scenario 1-6) In Largonía, Gillette advertises in the three states that it operates in. This is an example of ____ advertising.
- a. co-operative
 - b. global
 - c. national
 - d. regional

ANSWER: d

DIFFICULTY: Easy

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

113. (Scenario 1-6) Gillette has launched a new advertisement in which it describes how its unique protective layer above the blades prevents cuts, and a rubberized grip which enables steady handling of the razor while shaving. This is an example of _____.
a. trade channeling
b. selective demand stimulation
c. corporate advertising
d. direct response advertising

ANSWER: b *DIFFICULTY:*
Challenging

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Application

114. (Scenario 1-6) The functional goal of Gillette's advertising of the Mach3Power razor is to get male consumers to shift their preferences from other brands. This is an example of:
a. corporate advertising.
b. direct response advertising.
c. selective demand stimulation.
d. market segmentation.

ANSWER: c *DIFFICULTY:*
Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Application

115. What is advertising? Define. What are the three criteria that must be met for communication to be considered as an advertisement? How does a public service announcement differ from advertising in the ways that it meets, or fails to meet, each of these criteria?

ANSWER: Advertising is a paid, mass-mediated attempt to persuade.

The three criteria that must be met for a communication to be considered as an advertisement are that it must be paid for, it must be mass mediated, and it must be an attempt to persuade.

A public service advertisement is mass mediated and involves an attempt to persuade. However, by definition, a public service announcement is not paid for and cannot be considered advertising.

DIFFICULTY: Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Comprehension

116. Describe briefly what a target audience means. Discuss any two audience categories.

ANSWER: A target audience is a particular group of consumers singled out by an organization for an advertising or IBP campaign. These target audiences are singled out because the firm has discovered that these specific audience members like the product category and might prefer their particular brand within that product category. Target audiences are always potential audiences because a company can never be sure that the message will actually get through to them as intended.

Audience Categories:

Household consumers: They are the most conspicuous audience because most mass media advertising is directed at them.

Members of business organizations: They are the target of advertising for firms that produce business or industrial goods and services. Not-for-profit businesses such as universities, some research laboratories, philanthropic groups, and cultural organizations also represent an important and separate business audience for advertising.

DIFFICULTY: Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-3

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Customer

KEYWORDS: Bloom's: Comprehension

117. Define marketing. Describe the marketing mix and the role of advertising in it.

ANSWER: Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives. These four areas of responsibility and decision making in marketing are referred to as the "marketing mix." The word mix is used to describe the blend of strategic emphasis on the product versus its price versus its promotion (including advertising) versus its distribution when a brand is marketed to consumers. This blend, or mix, results in the overall marketing program for a brand. Advertising is important, but it is only one of the major areas of marketing responsibility and it is only one of many different IBP tools relied on in the marketing mix.

DIFFICULTY: Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Knowledge

118. A brand is greatly shaped and impacted by advertising. List five ways in which advertising influences brand management and explain each of them briefly.

ANSWER:

Advertising can affect a brand in five broad ways:

By informing and persuading: Target audiences can learn about a brand's features and benefits through advertising. No other variable in the marketing mix is designed to accomplish this communication.

By introducing new brands or brand extensions: Advertising is absolutely critical when organizations introduce a new brand or extensions of existing brands to the market. When brand extensions are brought to market, advertising and IBP play a key role in attracting attention to the brand—so much so that researchers now suggest that “managers should favor the brand extension with a greater allocation of the ad budget. This is often accomplished with advertising working in conjunction with other promotional activities such as sales promotions and point-of purchase displays.

By building and maintaining loyalty among consumers: Loyalty to a brand is one of the most important assets a firm can have. Brand loyalty occurs when a consumer repeatedly purchases the same brand to the exclusion of competitors' brands. Even though brand features are the most important influence on building and maintaining brand loyalty, advertising plays a key role in the process as well. Advertising reminds consumers of those brand features—tangible and intangible.

By creating an image and meaning for a brand: Advertising can communicate how a brand fulfills needs and desires and therefore plays an important role in attracting customers to brands that appear to be useful and satisfying. It can also help link a brand's image and meaning to a consumer's social environment and to the larger culture, and in this way, advertising can actually deliver a sense of personal connection for the consumer.

By building and maintaining brand loyalty within the trade: Wholesalers, retailers, distributors, and brokers can favor one brand over others given the proper support from a manufacturer. Advertising and particularly advertising integrated with other brand promotions is an area where support can be given.

DIFFICULTY:

Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS:

Bloom's: Comprehension

119. Briefly explain the concepts of market segmentation, differentiation, and positioning.

ANSWER: Advertising helps a firm implement the important market strategies of market segmentation, differentiation, and positioning.

Market segmentation is the process of breaking down a large and widely varied market (a heterogeneous market) into many smaller sub-markets or segments (homogeneous markets) based on certain consumer characteristics. Underlying the strategy of market segmentation are the facts that consumers differ in their wants and that the wants of one person can differ under various circumstances.

Differentiation is the process of creating a perceived difference, in the mind of the consumer, between a brand and its competition. The perceived differences can be tangible differences, or they may be based on image or style factors. The critical issue in differentiation is that consumers perceive a difference between brands.

Positioning is the process of designing a brand so that it can occupy a distinct and valued place in the target consumer's mind relative to other brands. This distinctiveness can be communicated through advertising. The importance of positioning can be understood by recognizing that consumers create a perceptual space in their minds for all the brands they might consider purchasing. A perceptual space is how one brand is seen on any number of dimensions—such as quality, taste, price, or social display value—in relation to those same dimensions in other brands.

DIFFICULTY: Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-4

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Strategy

KEYWORDS: Bloom's: Comprehension

120. What is integrated marketing communication (IMC)? Discuss the differences between integrated marketing communication and integrated brand promotion (IBP).

ANSWER:

Beginning in about 1990, the concept of mixing various promotional tools was referred to as integrated marketing communications (IMC). However, the reality of promotional strategies in the 21st century demands that the emphasis on communication give way to an emphasis on the brand. IMC emphasizes the communication effort per se and the need for coordinated and synergistic messages. IBP retains the emphasis on coordination and synergy of communication but goes beyond the parameters of IMC. In IBP, the emphasis is on the brand and not just communication. With a focus on building brand awareness, identity, and ultimately preference, the IBP perspective recognizes that coordinated promotional messages need to have brand-building effects in addition to the communication effects.

DIFFICULTY: Moderate

LEARNING OBJECTIVES: AIBP. OGUI.15.1-5

NATIONAL STANDARDS: United States - BUSPROG: Analytic

STATE STANDARDS: United States - Ohio - DISC: Marketing Plan

KEYWORDS: Bloom's: Comprehension