**Quiz 1 Answers**

# Chapter 1: Marketing communications and campaign planning

1. In the U.S. economy, more money is spent on main-media advertising than on other marcoms activities.

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(Exhibit 1-2: Main-media advertising 47%, other marcoms 53%.)

2. Manufacturers direct all their marcoms to consumers.

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(Exhibit 1-3: Manufacturers may also direct their marcoms to distributors or to businesses.)

3. Promotions should activate the customer to immediately purchase a brand-item and provide meaningful communication about the brand.

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(The objective of immediate purchase of the brand-item fits the definition of promotions in the chapter, and given that promotions are a form of marcoms they must therefore communicate about the brand.)

4. Moran’s method involves comparing relative price with category profit from week to week to determine the brand-item’s brand equity.

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(This statement is nonsense.)

5. A sharp increase in sales prompted by a slight price reduction is an indication of high value equity.

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(This is in fact the definition of Moran’s concept of value equity.)

6. Ad processing responses are different from promotion offer processing responses.

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(No, the possible processing responses – attention, learning, emotions, and acceptance – are the *same* no matter whether it’s an ad or a promotion.)

7. A direct-response ad can achieve all five communication effects in a single ad exposure.

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(Yes. The classic AIDA awareness-interest-desire-action model fits direct-response advertising quite well. The ad can create *awareness* of the brand, stimulate category need in the form of *interest* in the product or service category, build brand attitude as *desire* for this brand, then develop brand purchase intention which, provided that it looks easy to buy because of purchase facilitation, should result in behavioral *action* in the form of a direct response of some sort such an inquiry or a direct purchase. Thus, all five communication effects can be achieved in a single exposure to a direct-response ad.)

8. The buyer response steps – exposure, ad or promotion processing, brand communication effects, and target audience action – cut across the three levels of effects.

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(True: In fact, following the externally imposed exposure step, the next three steps represent internal processes in the buyer’s mind and are the same as the headings on the three levels of effects.)

9. There are six marcoms planning steps.

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(No, there are seven including the final step of deciding whether you need to use other marcoms such as sponsorships, PR, personal selling, or social marketing in addition to advertising and sales promotion.)

10. A goal is an objective made specific as to degree and time.

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(Correct definition of a goal.)