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Assignment Title: Test bank

Author: Pride

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Chapter/Section Name: Marketing environment, social responsibility and ethics

Chapter/Section Number: 2

Content Development Contact: Natalie Orr

Content Creator Name: Pride/Ferrell

Creation Date: 30 June 2017

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<question type=“short”>

1. What is environmental analysis? Why should a company use it and what does it accomplish?

REJ: Read the material under ‘The marketing environment’.

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AACSB Outcomes:Analytical; Communication; Reflective thinking

Difficulty: M

LO: 1

Learning Objective Narrative: Explain why it is important to examine and respond to the marketing environment

A-head: Why we must understand the marketing environment

Bloom's: KN

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<question type=“short”>

2. Are political forces beyond a marketer’s control? Why or why not?

REJ: Read the material under ‘Political forces’.

<metadata>

AACSB Outcomes:Analytical; Communication; Reflective thinking

Difficulty: M

LO: 1

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Bloom's: KN

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<question type=“mc”>

3. ​To monitor changes in the marketing environment effectively, marketers must engage in

a. environmental scanning and analysis.

b. economic scanningc. self-regulatory analysisd. marketing research analysise. information collecting

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

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AACSB Outcomes:

Difficulty: Easy

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</metadata>

<question type=“mc”>

4. Collecting information from secondary sources such as business, government, trade, and general-interest publications plays an important role in

 a. environmental analysis.

 b. competitive forces.

 c. environmental scanning.

 d. procompetitive legislation.

 e. self-regulatory forces.

Analysis:

a. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Correct

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

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</metadata>

<question type=“mc”>

5. Three primary methods of collecting information for environmental scanning are

 a. marketing research, company records, and advance orders.

 b. secondary sources, company records, and observation.

 c. executive knowledge, media, and marketing research.

 d. observation, secondary sources, and marketing research.

 e. company database, executive knowledge, and research.

Analysis:

a. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Correct.

e. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

<metadata>

AACSB Outcomes:

Difficulty: Moderate

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</metadata>

<question type=“mc”>

6. The Lazy-Boy Furniture Company collects information about a wide variety of competitive, economic, political, legal and regulatory, technological, and sociocultural forces that affect its marketing activities. This process is called

 a. environmental scanning.

 b. survey of environment.

 c. marketing.

 d. environmental analysis.

 e. marketing information processing.

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

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AACSB Outcomes:

Difficulty: Moderate

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<question type=“mc”>

7. According to the textbook, a manager's duties in an environmental analysis include

 a. checking information for accuracy, resolving inconsistencies, and assigning significance to the findings.

 b. observation and assessment.

 c. conducting research, assessment, and reporting.

 d. observation, market research, and fact finding.

 e. checking the company database, conducting research, and reporting.

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

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AACSB Outcomes:

Difficulty: Easy

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<question type=“mc”>

8. When PepsiCo takes the information collected through research and attempts to assess and interpret what it means for its soft-drink marketing efforts, PepsiCo is engaged in environmental

 a. scanning.

 b. forces.

 c. management.

 d. manipulation.

 e. analysis.

Analysis:

a. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Correct.

<metadata>

AACSB Outcomes:

Difficulty: Moderate

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</metadata>

<question type=“mc”>

9. Marketers who attempt to influence and change the various environmental forces have a(n) \_\_\_\_ response to these forces.

 a. reactive

 b. inactive

 c. variable

 d. positive

 e. proactive

Analysis:

a. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Correct.

<metadata>

AACSB Outcomes:

Difficulty: Easy

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<question type=“mc”>

10. While Silk Soymilk engages in environmental scanning and analysis, the company is more likely to change its products and marketing strategies to adapt to environmental forces rather than trying to influence these forces. Silk Soymilk has a(n) \_\_\_\_ approach to marketing environmental forces.

 a. inactive

 b. reactive

 c. proactive

 d. negative

 e. variable

Analysis:

a. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

b. Correct.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

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AACSB Outcomes:

Difficulty: Moderate

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</metadata>

<question type=“mc”>

11. Marketers who view political forces as being beyond their control are taking a(n) \_\_\_\_ response toward these forces.

 a. reactive

 b. aggressive

 c. proactive

 d. competitive

 e. liberal

Analysis:

a. Correct

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

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<question type=“mc”>

12. Companies that market products with similar features, benefits, and prices to the same customer group are known as \_\_\_\_ competitors.

 a. generic

 b. product

 c. brand

 d. total budget

 e. monopolistic

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Correct

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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AACSB Outcomes:

Difficulty: Easy

LO: 2

Learning Objective Narrative: Understand the nature and types of changes to the marketer’s environment – competitive, economic, political, legal and regulatory, technological and sociocultural (PEST).

A-head: The marketing environment

Bloom's: KN

</metadata>

<question type=“mc”>

13. \_\_\_\_ competitors provide very different products that satisfy the same basic customer need.

 a. Brand

 b. Generic

 c. Total budget

 d. Product

 e. Marketing

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Correct

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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</metadata>

<question type=“mc”>

14. \_\_\_\_ competitors are those that compete in the same product class, but their products have different features, benefits, and prices.

 a. Total budget

 b. Generic

 c. Brand

 d. Product

 e. Price

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Correct

e. Incorrect. Read the material under ‘The marketing environment’.

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</metadata>

<question type=“mc”>

15. In today's marketing environment, competitors can take on many forms. For example, Diet Coke can be seen as a competitor to Wrigley's Double Mint chewing gum. In this circumstance, these two products are described as \_\_\_\_ competitors.

 a. generic

 b. product

 c. total budget

 d. monopolistic

 e. pure

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Correct

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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</metadata>

<question type=“mc”>

16. Due to limited resources, a consumer decided to serve Hawaiian Punch to a New Year's Eve party crowd instead of Korbel champagne. As a result of this action, Korbel and Hawaiian Punch can be viewed as \_\_\_\_ competitors.

 a. generic

 b. product

 c. total budget

 d. oligopolistic

 e. pure

Analysis:

a. Correct

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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Bloom's: AP

</metadata>

<question type=“mc”>

17. Companies that compete for the same limited financial resources of the same customers are known as \_\_\_\_ competitors.

 a. oligopolic

 b. total budget

 c. generic

 d. product

 e. brand

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Correct.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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<question type=“mc”>

18. Companies delivering mixed concrete know that it cannot be shipped farther than twenty-five miles because the concrete might harden in the truck. Citrus County Concrete Company is the only supplier of mixed concrete to customers within a thirty-mile radius. Citrus County Concrete is an example of which one of the following competitive structures?

 a. Monopoly

 b. Oligopoly

 c. Monopolistic competition

 d. Pure competition

 e. Monopsony

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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</metadata>

<question type=“mc”>

19. The four major competitive structures are

 a. monopolies, oligopolies, oligopolistic monopolies, and pure competition.

 b. pure competition, heavy competition, moderate competition, and light competition.

 c. brand, product, total budget, and generic.

 d. oligopolies, monopolies, monopolistic competition, and pure competition.

 e. monopolies, limited competition, oligopolistic competition, and pure competition.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Correct

e. Incorrect. Read the material under ‘The marketing environment’.

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</metadata>

<question type=“mc”>

20. The tobacco industry in the United States is dominated by three large companies. When any one of these companies changes its price on tobacco products, the other two companies quickly adjust their prices to match it. From these characteristics, the tobacco industry could best be described as

 a. price sensitive.

 b. opportunistic.

 c. monopolistic competition.

 d. an oligopoly.

 e. a monopoly.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Correct

e. Incorrect. Read the material under ‘The marketing environment’.

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AACSB Outcomes:

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Bloom's: AP

</metadata>

<question type=“mc”>

21. J. Pitner Clothing is a medium-size specialty men's and women's clothing store in a market with many other specialty stores, department stores, and discounters. It has established a reputation for offering high-quality, fashionable merchandise with quality service. J. Pitner's competitive environment would best be characterised as

 a. a monopoly.

 b. an oligopoly.

 c. monopolistic competition.

 d. pure competition.

 e. faceted competition.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Correct

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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AACSB Outcomes:

Difficulty: Moderate

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Learning Objective Narrative: Understand the nature and types of changes to the marketer’s environment – competitive, economic, political, legal and regulatory, technological and sociocultural (PEST).

A-head: The marketing environment

Bloom's: AP

</metadata>

<question type=“mc”>

22. In general, which of the following competitive structures is an organisation least likely to operate?

 a. Monopoly

 b. Monopolistic competition

 c. Oligopoly

 d. Elastic competition

 e. Pure competition

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Correct

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AACSB Outcomes:

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Bloom's: CO

</metadata>

<question type=“mc”>

23. Assuming that inflation is low, high buying power characterises the \_\_\_\_ stage of the business cycle.

 a. prosperity

 b. depression

 c. recovery

 d. succession

 e. recession

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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A-head: The marketing environment

Bloom's: KN

</metadata>

<question type=“mc”>

24. Total buying power declines during periods of economic

 a. recovery.

 b. prosperity.

 c. recession.

 d. uncertainty.

 e. expansion.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Correct

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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AACSB Outcomes:

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</metadata>

<question type=“mc”>

25. Which category of income are marketers most interested in?

 a. Wealth

 b. Disposable income

 c. Discretionary income

 d. Total income

 e. Extra income

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Correct.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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Bloom's: KN

</metadata>

<question type=“mc”>

26. A person's buying power is a function of

 a. disposable income.

 b. past income, natural resources, and financial resources.

 c. wages, rents, and investments.

 d. income, wealth, and credit.

 e. discretionary income.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Correct

e. Incorrect. Read the material under ‘The marketing environment’.

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AACSB Outcomes:

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</metadata>

<question type=“mc”>

27. Discretionary income is associated with all of the following *except*

 a. automobiles.

 b. education.

 c. pets.

 d. furniture.

 e. food.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Correct

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<question type=“mc”>

28. U.S. rice farmers wish to get their product into the Japanese market but are hindered by a complex maze of regulations imposed by the Japanese government. The farmers are most likely to attempt to influence which aspect of the marketing environment?

 a. Sociocultural

 b. Technological

 c. Competitive

 d. Economic

 e. Political

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Correct

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Bloom's: AP

</metadata>

<question type=“mc”>

29. Technology is

 a. the application of scientific knowledge to build products that customers desire.

 b. the application of knowledge and tools to solve problems and perform tasks more efficiently.

 c. applied sciences.

 d. one of the weakest marketing environment forces.

 e. the result of research performed primarily by universities.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Correct.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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Bloom's: KN

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<question type=“mc”>

30. While playing soccer, Bryan suddenly fell and broke his arm. Needing to get to the hospital, he was not only interested in the nearest location, but also the shortest emergency room wait time. He remembered seeing a billboard for The Cleveland Clinic promoting their time-text service where he could call the number GET-TXT-TIME and they would text him the approximate waiting time at the closest three hospital locations. The Cleveland Clinic is providing enhanced service to its patients by capitalizing on which environmental force?

 a. Economic

 b. Competitive

 c. Political

 d. Legal and regulatory

 e. Technological

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Correct.

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<question type=“mc”>

31. Technology assessment is

 a. measuring how much technology has been incorporated into an organisation.

 b. trying to foresee the effects of new products and processes on the firm's operation and on society in general.

 c. assessing how much technology one wants to incorporate into a company in the future.

 d. judging how a firm's products affect society.

 e. weighing the cost of new technology to determine whether a firm can afford to use it.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Correct.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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</metadata>

<question type=“mc”>

32. People for the Ethical Treatment of Animals (PETA) have demonstrated against the sale of coats made of animal furs. PETA's efforts to change shoppers' attitudes represent a \_\_\_\_ force for fur retailers.

 a. technological

 b. political

 c. sociocultural

 d. self-regulatory

 e. controllable

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Correct.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

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<question type=“mc”>

33. Companies that find themselves in a monopolistic competitive situation would be known to have:

a. no close substitutes.

b. no influence on price or supply.

c. few sellers.

d. differentiated its products because of lots of potential competitors.

e. a large number of sellers.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Correct.

e. Incorrect. Read the material under ‘The marketing environment’.

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AACSB Outcomes:Communication

Difficulty: M

LO: 2

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A-head: The marketing environment

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</metadata>

<question type=“mc”>

34. Brand competitors have:

a. same product but different features, benefits and prices.

b. similar features, benefits and prices.

c. different products that solve the same problem.

d. limited financial resources of same customers.

e. indirect competitors.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Correct.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

<metadata>

AACSB Outcomes:Communication

Difficulty: M

LO: 2

Learning Objective Narrative: Understand the nature and types of changes to the marketer’s environment – competitive, economic, political, legal and regulatory, technological and sociocultural (PEST).

A-head:The marketing environment

Bloom's: KN

</metadata>

<question type=“mc”>

35. Self-regulatory programs have advantages over government laws and regulatory agencies, such as:

a. they need to increase government bureaucracy.

b. non-member firms must abide by self-regulation.

c. less expensive establishment and implementation and more realistic and operational guidelines.

d. a lack of authority.

e. they waste valuable resources

Analysis:

a. Incorrect. Read the material under ‘Legal and regulatory forces, self-regulation and legal regulation’.

b. Incorrect. Read the material under ‘Legal and regulatory forces, self-regulation and legal regulation’.

c. Correct.

d. Incorrect. Read the material under ‘Legal and regulatory forces, self-regulation and legal regulation’.

e. Incorrect. Read the material under ‘Legal and regulatory forces, self-regulation and legal regulation’.

<metadata>

AACSB Outcomes:Communication

Difficulty: M

LO: 3

Learning Objective Narrative: Be aware of the legal and regulatory forces that guide marketers, and understand the difference between self-regulation and legal regulation and be able to explain why some firms might choose to preferentially choose self-regulation.

A-head: Legal and regulatory forces, self-regulation and legal regulation

Bloom's: KN

</metadata>

<question type=“mc”>

36. The economy fluctuates in all countries. These fluctuations follow a business cycle of:

a. expand, capture, distribute and promote.

b. price, basics and functional.

c. value and utility.

d. reduction of marketing efforts.

e. prosperity, recession, depression and recovery.

Analysis:

a. Incorrect. Read the material under ‘The marketing environment’.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Correct.

<metadata>

AACSB Outcomes:Communication

Difficulty: D

LO:2

Learning Objective Narrative: Understand the nature and types of changes to the marketer’s environment – competitive, economic, political, legal and regulatory, technological and sociocultural (PEST).

A-head: The marketing environment

Bloom's: KN

</metadata>

<question type=“mc”>

37. Sociocultural forces are:

a. influences in a society and its culture that bring about changes in attitudes, beliefs, norms, customs and lifestyles.

b. changes in demographic and geographic conditions.

c. changes in the importance of food, clothing and housing.

d. factors that affect the ageing population and health improvements.

e. increasing the production of organic and genetically modified foods.

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘The marketing environment’.

c. Incorrect. Read the material under ‘The marketing environment’.

d. Incorrect. Read the material under ‘The marketing environment’.

e. Incorrect. Read the material under ‘The marketing environment’.

<metadata>

AACSB Outcomes:Communication

Difficulty: D

LO:21

Learning Objective Narrative: Understand the nature and types of changes to the marketer’s environment – competitive, economic, political, legal and regulatory, technological and sociocultural (PEST).

A-head: The marketing environment

Bloom's: KN

</metadata>

<question type=“mc”>

38. Fears of rising petrol prices and promised government incentives such as carbon tax credits have helped hybrid car sales remain healthier than sales of larger vehicle, such as four-wheel drive SUVs and V8s. The introduction of hybrid cars is an example of marketing mangers reacting to:

a. environmental forces.

b. marketing strategy.

c. objectives.

d. requirements.

e. goals.

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

e. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

<metadata>

AACSB Outcomes:Reflective thinking; Strategy

Difficulty: E

LO: 1

Learning Objective Narrative: Explain why it is important to examine and respond to the marketing environment.

A-head: Why we must understand the marketing environment

Bloom's: AP

</metadata>

<question type=“mc”>

39. Costco competes by:

a. offering limited inventory and eliminating unnecessary costs.

b. engaging in monopolistic competition.

c. conducting environmental scanning.

d. communicating the value of its competitive approaches.

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

c. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

d. Incorrect. Read the material under ‘Why we must understand the marketing environment’.

<metadata>

AACSB Outcomes:Reflective thinking; Strategy

Difficulty: M

LO: 1

Learning Objective Narrative: Explain why it is important to examine and respond to the marketing environment.

A-head: Why we must understand the marketing environment

Bloom's: AP

</metadata>

<question type=“mc”>

40. Ethics relates to:

a. individual and group decisions – judgements about what is right or wrong in a particular decision-making situation.

b. total effect of marketing decisions on society.

c. no formal rules.

d. increased future misconduct.

e. level of service.

Analysis:

a. Correct.

b. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

c. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

d. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

e. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:Communication; Reflective thinking

Difficulty: E

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“mc”>

41. Codes of conduct:

a. allow people to make decisions based on how their peers and superiors behave.

b. make unethical behaviour illegal.

c. encourage specific bad behaviour.

d. require a lack of confidentiality.

e. consist of formal rules and standards that describe what the company expects of its employees.

Analysis:

a. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

b. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

c. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

d. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

e. Correct.

<metadata>

AACSB Outcomes:Communication

Difficulty: 3

LO: 5

Learning Objective Narrative: Explain how to incorporate ethics and social responsibility into marketing strategy.

A-head: Incorporating social responsibility and ethics

Bloom's: KN

</metadata>

<question type=“mc”>

42. Corporate social responsibility involves:

a. implementing government regulations.

b. doing what is economically sound, legal, ethical and socially conscious.

c. limiting debate.

d. reducing trust.

e. imposing costs.

Analysis:

a. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

b. Correct.

c. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

d. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

e. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

<metadata>

AACSB Outcomes:Reflective Thinking; Marketing plan; Strategy

Difficulty: E

LO: 5

Learning Objective Narrative: Explain how to incorporate ethics and social responsibility into marketing strategy.

A-head: Incorporating social responsibility and ethics

Bloom's: KN

</metadata>

<question type=“mc”>

43. A petrol station asked customers if they would pay $0.01 per litre more for their petrol if the station installed an air filtration system. Most said yes, but when the system was installed, many customers went to a cheaper competitor. In light of this, the petrol station needs to:

a. ask its customers about all other ideas in the future.

b. charge its remaining customers more than $0.01 per litre extra to maintain profit levels.

c. satisfy all members of society.

d. carefully balance the costs of providing low-priced products against the costs of being environmentally responsible.

e. sell the petrol station.

Analysis:

a. Incorrect. Read the material under ‘Incorporating social responsibility and ethics.

b. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

c. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

d. Incorrect. Read the material under ‘Incorporating social responsibility and ethics’.

e. Correct.

<metadata>

AACSB Outcomes:Reflective thinking; Marketing plan; Strategy

Difficulty: E

LO: 5

Learning Objective Narrative: Explain how to incorporate ethics and social responsibility into marketing strategy.

A-head: Incorporating social responsibility and ethics

Bloom's: AP

</metadata>

<question type=“true-false”>

44. Environmental forces are always dynamic.

T

Correct

F

Incorrect. Read the material under ‘Why we must understand the marketing environment’.

<metadata>

AACSB Outcomes:Communication

Difficulty: E

LO: 1

Learning Objective Narrative: Explain why it is important to examine and respond to the marketing environment.

A-head: Why we must understand the marketing environment

Bloom's: KN

</metadata>

<question type=“true-false”>

45. Environmental scanning is the process of collecting information about forces in the marketing environment.

T

Correct

F

Incorrect. Read the material under ‘Why we must understand the marketing environment’.

<metadata>

AACSB Outcomes:Communication

Difficulty: E

LO: 1

Learning Objective Narrative: Explain why it is important to examine and respond to the marketing environment.

A-head: Why we must understand the marketing environment

Bloom's: KN

</metadata>

<question type=“true-false”>

46. There are no federal laws that influence marketing decisions.

T

Incorrect. Read the material under ‘Be aware of the legal and regulatory forces that guide marketers, and understand the difference between self-regulation and legal regulation and be able to explain why some firms might choose to preferentially choose self-regulation.’.

F

Correct

<metadata>

AACSB Outcomes:Communication

Difficulty: E

LO: 3

Learning Objective Narrative: Be aware of the legal and regulatory forces that guide marketers, and understand the difference between self-regulation and legal regulation and be able to explain why some firms might choose to preferentially choose self-regulation.

A-head: Legal and regulatory forces, self-regulation and legal regulation

Bloom's: KN

</metadata>

<question type=“true-false”>

47. The Advertising Standards Bureau administers a national system of advertising self-regulation.

T

Correct

F

Incorrect. Read the material under ‘Legal and regulatory forces, self-regulation and legal regulation’.

<metadata>

AACSB Outcomes:Communication

Difficulty: M

LO: 3

Learning Objective Narrative: Be aware of the legal and regulatory forces that guide marketers, and understand the difference between self-regulation and legal regulation and be able to explain why some firms might choose to preferentially choose self-regulation.

A-head: Legal and regulatory forces, self-regulation and legal regulation

Bloom's: KN

</metadata>

<question type=“true-false”>

48. Technology has not revolutionised the products created and offered by marketers and the channels by which they communicate about their products.

T

Incorrect. Read the material under ‘The marketing environment’.

F

Correct

<metadata>

AACSB Outcomes:Communication

Difficulty: M

LO: 2

Learning Objective Narrative: Understand the nature and types of changes to the marketer’s environment – competitive, economic, political, legal and regulatory, technological and sociocultural (PEST).

A-head: The marketing environment

Bloom's: KN

</metadata>

<question type=“true-false”>

49. Social responsibility is an organisation's obligation to maximise its positive impact and minimise its negative impact on society.

T

Correct

F

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“true-false”>

50. Four dimensions of social responsibility are economic, legal, ethical, and philanthropic.

T

Correct

F

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“true-false”>

51. Marketing ethics refers to principles and standards that define acceptable conduct in marketing.

T

Correct

F

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“true-false”>

52. Strategic philanthropy involves linking a firm's products to a particular social cause on a sort-term basis.

T

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

F

Correct

<metadata>

AACSB Outcomes:

Difficulty: Moderate

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“true-false”>

53. According to research, only a small percentage of consumers have a more positive opinion of an organisation when it supports causes they care about.

T

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

F

Correct

<metadata>

AACSB Outcomes:

Difficulty: Moderate

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

<question type=“true-false”>

54. It is easy to distinguish between legal and ethical issues.

T

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

F

Correct

<metadata>

AACSB Outcomes:

Difficulty: Moderate

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“true-false”>

55. Marketing ethics goes beyond legal issues, although ethical disputes must sometimes be resolved in court.

T

Correct

F

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“true-false”>

56. An ethical issue is an identifiable problem, situation, or opportunity requiring an individual to choose from among several actions that must be evaluated as right or wrong.

T

Correct

F

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“true-false”>

57. Any time an activity causes managers or consumers to feel manipulated or cheated, a marketing ethics issue exists, regardless of the legality of that activity.

T

Correct

F

Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>

<question type=“mc”>

58. Ethical standards for acceptable conduct for a company should

 a. be clearly dictated by top management and enforced by all management staff.

 b. consider only the point of view of the customers and the employees.

 c. reflect the desires of the company's employees for a quality working environment.

 d. be based on company, industry, government, customer, and society viewpoints.

 e. be derived from federal, state, and local laws and regulatory agencies.

Analysis:

a. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

b. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

c. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

d. Correct.

e. Incorrect. Read the material under ‘Social responsibility and ethics in marketing’.

<metadata>

AACSB Outcomes:

Difficulty: Easy

LO: 4

Learning Objective Narrative: Describe and explain the four dimensions of social responsibility: economic, legal, ethical, philanthropic.

A-head: Social responsibility and ethics in marketing

Bloom's: KN

</metadata>