**CHAPTER 13**

**INTEGRATED MARKETING COMMUNICATIONS: ADVERTISING,**

**SALES PROMOTION, AND PUBLIC RELATIONS**

**MULTIPLE CHOICE QUESTIONS**

1. Another name for a company’s marketing communications mix is:

 a. the advertising program.

 b. the sales force.

 c. the image mix.

 d. the promotion mix.

**Answer: (d) Page: 470**

2. Which tool of the promotional mix is defined as any paid form of nonpersonal

 presentation and promotion of ideas, goods, or services by an identified sponsor?

 a. advertising

 b. public relations

 c. direct marketing

 d. sales promotion

**Answer: (a) Page: 470**

3. The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is the specific mix of advertising, personal selling,

 sales promotion, public relations, and direct marketing tools that the company uses to

 pursue its advertising and marketing objectives.

 a. value mix

 b. integrated dealer mix

 c. marketing communications mix

 d. marketing control mix

**Answer: (c) Page: 470**

4. Which tool of the promotional mix consists of short-term incentives to encourage the

 purchase or sale of a product or service?

 a. advertising

 b. public relations

 c. direct marketing

 d. sales promotion

**Answer: (d) Page: 470**

5. If a company wants to build a good “corporate image,” it will probably use which

 of the following marketing communications mix tools?

 a. advertising

 b. public relations

 c. direct marketing

 d. sales promotion

**Answer: (b) Page: 470**

6. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is direct communications with carefully targeted individual

 consumers to obtain an immediate response.

 a. Personal selling

 b. Public relations

 c. Direct marketing

 d. Sales promotion

**Answer: (c) Page: 470**

7. There is an increasing amount of commerce being done via the Internet. With respect

 to the promotional mix, which of the following categories would be most directly

 concerned with Internet commerce?

 a. advertising

 b. public relations

 c. direct marketing

 d. sales promotion

**Answer: (c) Page: 470**

8. The personal presentation by the firm’s sales force for the purpose of making sales

 and building customer relationships is called:

 a. personal selling.

 b. public relations.

 c. direct marketing.

 d. sales promotion.

**Answer: (a) Page: 470**

9. Which of the following major promotional tools use press relations, product

 publicity, corporate communications, lobbying, and public service to communicate

 information?

 a. advertising

 b. public relations

 c. direct marketing

 d. sales promotion

**Answer: (b) Page: 470**

10. Which of the following major promotional tools use the telephone, mail, fax,

 e-mail, and the Internet to communicate directly with specific consumers?

 a. advertising

 b. public relations

 c. direct marketing

 d. sales promotion

**Answer: (c) Page: 470**

11. Although the promotion mix is the company’s primary communication activity, the

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ must be coordinated for greatest communication impact.

 a. organizational culture

 b. entire marketing mix

 c. demand mix

 d. profit variables in a company

**Answer: (b) Page: 470**

12. Two major factors are changing the face of today’s communications. One of these

 factors is the fact that:

 a. costs of promotion are rising.

 b. mass markets are fragmented and marketers are shifting away from mass

 marketing.

 c. global communications are not growing rapidly enough.

 d. marcom managers have achieved more power and control.

**Answer: (b) Page: 471**

13. The shift from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has had a dramatic impact on

 marketing communications.

 a. brand management to value management

 b. media manipulation to media control

 c. mass marketing to segmented marketing

 d. mass marketing to global marketing

**Answer: (c) Page: 471**

14. \_\_\_\_\_\_\_\_\_\_\_\_ fragmentation has resulted in media fragmentation.

 a. Market

 b. Purchasing

 c. Product

 d. Public relations

**Answer: (a) Page: 472**

15. For many years mass-media advertising was king among promotion variables.

 Today, this form of advertising appears to be giving way to:

 a. product differentiation.

 b. other elements of the promotion mix.

 c. nonmanipulative variables.

 d. a move away from promotion.

**Answer: (b) Page: 472**

16. Current trends in communications and promotions indicate that companies are

 doing less:

 a. marketing and more promotion.

 b. broadcasting and more narrowcasting.

 c. selling and more advertising.

 d. communication and more manipulation.

 **Answer: (b) Page: 472**

17. IMC, as presented in the text and in context with promotion, stands for:

 a. international manufacturing capacity.

 b. international monetary consistency.

 c. integrated marketing communications.

 d. integrated marketing corporations.

**Answer: (c) Page: 472**

18. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is the concept under which a company carefully integrates and

 coordinates its many communications channels to deliver a clear, consistent, and

 compelling message about the organization and its products.

 a. The promotion mix

 b. Integrated international affairs

 c. Integrated marketing communications

 d. Integrated demand characteristics

**Answer: (c) Page: 472**

19. All of the following are cited by the text as limitations or challenges to marketers

 trying to use the Web to build brands EXCEPT:

 a. the higher expense of Web advertising versus traditional advertising.

 b. the Internet doesn’t build mass brand awareness.

 c. the Web’s format and quality constraints.

 d. difficulty in achieving advertising-like solutions on the Web.

**Answer: (a) Page: 473, 474, Marketing at Work 13-1**

20. Integrated marketing communications involves identifying the target audience

 and shaping a well-coordinated promotional program to elicit the desired audience

 response. Too often, however: (Select the most correct statement.)

 a. costs are too high and profits are too low.

 b. personnel cannot cope with these responsibilities.

 c. marketing communications focus on overcoming immediate awareness, image,

 or preference problems.

 d. integrated communications do not work in the global environment because of

 regulations.

**Answer: (c) Page: 474, 375**

21. The communications process should start with:

 a. a basic belief about the communication piece.

 b. an audit of all the potential contacts target customers have with the company and

 its brands.

 c. an evaluation of the history of advertising used by the firm.

 d. hiring communications experts to handle the communication problems of the firm.

**Answer: (b) Page: 475**

22. The concept of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ suggests that the company must blend the

 promotion tools carefully into a coordinated promotion mix.

 a. public relations

 b. integrated market planning

 c. integrated marketing communications

 d. global cultural imperatives

**Answer: (c) Page: 475**

23. If a company’s objective were to reach masses of buyers that were geographically

 dispersed at a low cost per exposure, the company would likely choose which of the

 following promotion forms?

 a. advertising

 b. personal selling

 c. public relations

 d. sales promotion

**Answer: (a) Page: 476**

24. Which of the following promotional forms is often described as being too impersonal

 and only a one-way communication form?

 a. advertising

 b. personal selling

 c. public relations

 d. sales promotion

**Answer: (a) Page: 476**

25. Which of the following promotional tools is often the most effective tool at certain

 stages in the buying process, particularly in building up buyers’ preferences,

 convictions, and actions?

 a. advertising

 b. personal selling

 c. public relations

 d. sales promotion

**Answer: (b) Page: 476**

26. Which of the following promotional tools is thought to be the most expensive to use?

 a. advertising

 b. personal selling

 c. public relations

 d. sales promotion

**Answer: (b) Page: 476**

27. Personal selling is an expensive form of promotion. For example, research shows

 that personal selling costs companies \_\_\_\_\_\_\_ per sales call.

 a. $170

 b. $140

 c. $100

 d. $75

**Answer: (a) Page: 476**

28. The promotion tool that may include coupons, contests, premiums, and other means

 of attracting consumer attention is best described as being which of the following?

 a. advertising

 b. personal selling

 c. public relations

 d. sales promotion

**Answer: (d) Page: 476**

29. Which of the following promotional tools can reach many prospects who otherwise

 avoid salespeople and is received as news rather than as a sales-directed

 communication?

 a. advertising

 b. personal selling

 c. public relations

 d. sales promotion

**Answer: (c) Page: 477**

30. The promotional tool that marketers tend to underuse or use only as an afterthought

 is best described as being which of the following?

 a. advertising

 b. personal selling

 c. public relations

 d. sales promotion

**Answer: (c) Page: 477**

31. No matter which form of direct marketing might be used by a promotional manager,

 all of the forms have several characteristics in common. Which of the following

 WOULD NOT be among those characteristics?

 a. nonpublic

 b. immediate

 c. producer controlled

 d. interactive

**Answer: (c) Page: 477**

32. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is well suited to highly targeted marketing efforts and to

 building one-to-one customer relationships.

 a. Advertising

 b. Public relations

 c. Sales promotion

 d. Direct marketing

**Answer: (d) Page: 477**

33. A \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a promotion strategy that calls for using the sales force and

 trade promotion to move the product through channels.

 a. push strategy

 b. pull strategy

 c. blocking strategy

 d. integrated strategy

**Answer: (a) Page: 477, 478, Figure 13-2**

34. A \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a promotion strategy that calls for spending a lot on

 advertising and consumer promotion to build up consumer demand. If the strategy is

 successful, consumer demand will move the product through the channel.

 a. push strategy

 b. pull strategy

 c. blocking strategy

 d. integrated strategy

**Answer: (b) Page: 477, 478, Figure 13-2**

35. Which of the following strategies is usually followed by B2C companies with respect

 to promotion strategy?

 a. push strategy

 b. pull strategy

 c. blocking strategy

 d. integrated strategy

**Answer: (b) Page: 477, 478, Figure 13-2**

36. Which of the following strategies is usually followed by B2B companies with respect

 to promotion strategy?

 a. push strategy

 b. pull strategy

 c. blocking strategy

 d. integrated strategy

**Answer: (a) Page: 477, 478, Figure 13-2**

37. Some of the earliest traces of what could be called advertising were found in:

 a. Colonial New York.

 b. 16th century England.

 c. 2nd century China.

 d. ancient Rome.

**Answer: (d) Page: 478**

38. Advertising reaches almost all facets of business in the United States. It has been

 estimated that advertising runs an annual bill of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in the United

 States alone.

 a. $2 billion

 b. $244 billion

 c. $25 billion

 d. $150 billion

**Answer: (b) Page: 478**

39. Marketing management must make four important decisions when developing an

 advertising program. All of the following would be among those decisions

 EXCEPT:

 a. setting advertising objectives.

 b. setting the advertising budget.

 c. setting procedures for an advertising culture audit.

 d. developing advertising strategy.

**Answer: (c) Page: 479, Figure 13-3**

40. The first step in developing an advertising program should be to:

 a. set advertising objectives.

 b. set the advertising budget.

 c. evaluate advertising campaigns.

 d. develop advertising strategy.

**Answer: (a) Page: 479, Figure 13-3**

41. A specific communication task to be accomplished with a specific target audience

 during a specific period of time is called an:

 a. advertising campaign.

 b. advertising objective.

 c. advertising criterion.

 d. advertising evaluation.

**Answer: (b) Page: 479**

42. Which of the following WOULD NOT be one of the primary advertising objectives

 as classified by primary purpose?

 a. to inform

 b. to persuade

 c. to remind

 d. to make profits

**Answer: (d) Page: 479**

43. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is used heavily when introducing a new product

 category.

 a. Persuasive advertising

 b. Inferential advertising

 c. Reminder advertising

 d. Informative advertising

**Answer: (d) Page: 479**

44. Building selective demand is the objective of which type of advertising?

 a. informative advertising

 b. persuasive advertising

 c. reminder advertising

 d. demand-driven advertising

**Answer: (b) Page: 479**

45. If Sony tries to convince consumers that its brand of computer disks is the best

 quality for the money, it is using which of the following forms of advertising?

 a. informative advertising

 b. psychological advertising

 c. reminder advertising

 d. persuasive advertising

**Answer: (d) Page: 479**

46. When Avis positioned itself against market-leading Hertz by claiming, “We’re

 number two, so we try harder,” it was using which of the following forms of

 advertising?

 a. informative advertising

 b. psychological advertising

 c. reminder advertising

 d. comparative advertising

**Answer: (d) Page: 479**

47. Keeping consumers thinking about the product is the objective for which type of

 advertising?

 a. informative advertising.

 b. psychological advertising.

 c. reminder advertising.

 d. persuasive advertising.

**Answer: (c) Page: 480**

48. After determining its advertising objectives, a company next sets its \_\_\_\_\_\_\_\_\_\_\_\_

 for each product.

 a. advertising strategy

 b. advertising budget

 c. advertising goals

 d. advertising format

**Answer: (b) Page: 480**

49. All of the following are commonly recognized promotion budget formats EXCEPT:

 a. the affordable method.

 b. the LIFO method.

 c. the percentage-of-sales method.

 d. the objective-and-task method.

**Answer: (b) Page: 480**

50. Determining the promotion budget on the basis of financial availability of capital is

 characteristic of which of the following budget methods?

 a. affordable method

 b. percentage-of-sales method

 c. competitive-parity method

 d. objective-and-task method

**Answer: (a) Page: 480**

51. Which of the following budget methods ignores the effects of promotion on sales?

 a. affordable method

 b. percentage-of-sales method

 c. competitive-parity method

 d. objective-and-task method

**Answer: (a) Page: 480**

52. Which of the following promotional budget methods wrongly views sales as the

 cause of promotion rather than as the result?

 a. affordable method

 b. percentage-of-sales method

 c. competitive-parity method

 d. objective-and-task method

**Answer: (b) Page: 481**

53. Setting the promotion budget so as to match the budgets of the competition is

 characteristic of which of the following budget methods?

 a. affordable method

 b. percentage-of-Sales method

 c. competitive-parity method

 d. objective-and-task method

**Answer: (c) Page: 481**

54. One of the arguments that supports the competitive-parity method for budgeting

 promotions is that:

 a. it is the fairest budget method.

 b. it is generally the cheapest method of allocating funds.

 c. competitor’s budgets represent the collective wisdom of the industry.

 d. it is the easiest budget method to use on a global basis.

**Answer: (c) Page: 481**

55. The most logical budget setting method is found in the list below. Which is it?

 a. affordable method

 b. percentage-of-sales method

 c. competitive-parity method

 d. objective-and-task method

**Answer: (d) Page: 481**

56. The first step in using the objective-and-task promotional budgeting method is to:

 a. define specific advertising tools that can be afforded.

 b. analyze competitive budgets for perceived weaknesses.

 c. calculate last year’s sales percentages.

 d. define specific objectives.

**Answer: (d) Page: 482**

57. According to the chapter, all of the following have promoted the importance of the

 media-planning function EXCEPT:

 a. media fragmentation.

 b. the development of the Internet.

 c. soaring media costs.

 d. more focused target marketing strategies.

**Answer: (b) Page: 482**

58. No matter how big the advertising budget, advertising can succeed only if

 commercials:

 a. are economically feasible.

 b. gain attention and communicate well.

 c. are acceptable on a global level.

 d. are artistically pleasing.

**Answer: (b) Page: 483**

59. Developing an effective message strategy begins with identifying customer

 \_\_\_\_\_\_\_\_\_\_\_ that can be used as advertising appeals.

 a. demographics

 b. lifestyles

 c. psychographics

 d. benefits

**Answer: (d) Page: 484**

60. Advertising appeals should have three characteristics. All of the following are among

 those characteristics EXCEPT:

 a. be meaningful.

 b. be tasteful.

 c. be believable.

 d. be distinctive.

**Answer: (b) Page: 484**

61. In evaluating messages for advertising, pointing out the benefits that make the

 product more desirable or interesting to consumers ensures that the message will be:

 a. meaningful.

 b. distinctive.

 c. believable.

 d. remembered.

**Answer: (a) Page: 484**

62. In evaluating messages for advertising, telling how the product is better than the

 competing brands aims at making the ad:

 a. meaningful.

 b. distinctive.

 c. believable.

 d. remembered.

**Answer: (b) Page: 484**

63. In terms of execution styles, a family seated at the dinner table enjoying the

 advertised product would be an example of which of the following types of

 advertising?

 a. slice of life

 b. lifestyle

 c. mood or imagery

 d. personality symbol

**Answer: (a) Page: 487**

64. In terms of execution styles, which type of advertising might show how a product

 contributes to a person’s workout and health regime?

 a. slice of life

 b. lifestyle

 c. mood or imagery

 d. personality symbol

**Answer: (b) Page: 487**

65. In terms of execution styles, which type of advertising makes no claim about the

 product except to suggest that the product is part of such feelings as love or beauty?

 a. slice of life

 b. lifestyle

 c. mood or imagery

 d. personality symbol

**Answer: (c) Page: 487**

66. When a company chooses to use an animated character such as the Jolly Green Giant

 or Garfield the Cat in their commercial, they are using which of the following

 advertising execution formats?

 a. testimonial evidence

 b. lifestyle

 c. mood or imagery

 d. personality symbol

**Answer: (d) Page: 487**

67. The first thing a reader notices in a printed advertising is the:

 a. headline.

 b. illustration.

 c. copy.

 d. format.

**Answer: (b) Page: 488**

68. The measure of the percentage of people in the target market who are exposed to the

 ad campaign during a given period of time is called:

 a. reach.

 b. frequency.

 c. impact.

 d. performance.

**Answer: (a) Page: 488**

69. The measure of how many times the average person in the target market is exposed to

 the message is called:

 a. reach.

 b. frequency.

 c. impact.

 d. performance.

**Answer: (b) Page: 488**

70. Media planners consider many factors when making their media choices. According

 to the text, all of the following factors would be considered EXCEPT:

 a. the fashionability of the media.

 b. the media habits of target consumers.

 c. the nature of the product.

 d. the type of message to be used.

**Answer: (a) Page: 489**

71. If an advertiser wants flexibility, timeliness, good local market coverage, broad

 acceptability, and high believability, the advertiser will probably choose which of the

 following mass media types?

 a. newspapers

 b. television

 c. direct mail

 d. radio

**Answer: (a) Page: 489, Table 13-2**

72. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ combine(s) sight, sound, and motion; appeals to the senses; and,

 has a low cost per exposure as advantages.

 a. Newspapers

 b. Television

 c. Direct mail

 d. Radio

**Answer: (b) Page: 489, Table 13-2**

73. The advantages of audience selectivity, no ad competition, and personalization apply

 to which type of media?

 a. newspapers

 b. television

 c. direct mail

 d. radio

**Answer: (c) Page: 489, Table 13-2**

74. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has the advantage of being high in selectivity, low cost,

 immediacy, and interactive capabilities.

 a. Direct mail

 b. Outdoor

 c. Online

 d. Radio

**Answer: (c) Page: 489, Table 13-2**

75. Which of the following mass media forms has the disadvantages of long

 ad-purchase lead time, high cost, no guarantee of position?

 a. newspapers

 b. television

 c. magazines

 d. radio

**Answer: (c) Page: 489, Table 13-2**

76. To be effective, ads should have some form of pattern (given that more than one

 ad is going to be used). If an advertiser were to schedule ads evenly over a given

 period of time, this pattern would be called:

 a. pulsing.

 b. flow.

 c. rollout.

 d. continuity.

**Answer: (d) Page: 490**

77. A marketing services firm that assists companies in planning, preparing,

 implementing, and evaluating all or portions of their advertising programs is

 called a(n):

 a. marketing control group.

 b. product services unit.

 c. advertising agency.

 d. situation consultant.

**Answer: (c) Page: 493**

78. The largest U.S. advertising agency is \_\_\_\_\_\_\_\_\_\_\_\_ with an annual gross

 income of $1.8 billion on billings.

 a. J. Walter Thompson

 b. Saatchi & Saatchi

 c. BBD&O Global

 d. McCann-Erikson Worldwide

**Answer: (d) Page: 493**

79. All of the following are benefits of a standardization policy in global advertising

 EXCEPT:

 a. lower advertising costs.

 b. greater global advertising coordination.

 c. an attention to local differences in various global markets.

 d. more consistent worldwide image.

**Answer: (c) Page: 493**

80. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is short-term incentives to encourage purchase or sales of a

 product or service.

 a. Advertising

 b. Sales promotion

 c. Online advertising

 d. Public relations

**Answer: (b) Page: 495**

81. Several factors have contributed to the rapid growth of sales promotion. All of the

 factors listed below have played a part in that growth EXCEPT:

 a. greater pressure to increase sales.

 b. more competition and a decline in differentiation of brands.

 c. a relaxing of government regulations governing sales promotion.

 d. advertising efficiency has declined.

**Answer: (c) Page: 496**

82. Which type of sales promotion uses free samples, coupons, and rebates?

 a. consumer promotion

 b. trade promotion

 c. sales force promotion

 d. place promotion

**Answer: (a) Page: 497**

83. All of the following are considered to be consumer-promotion tools EXCEPT:

 a. samples.

 b. push money.

 c. coupons.

 d. patronage reward.

**Answer: (b) Page: 497**

84. Which of the following consumer-promotion tools is the most effective, but most

 expensive, way to introduce a new product?

 a. coupons

 b. price packs

 c. contests

 d. samples

**Answer: (d) Page: 497**

85. \_\_\_\_\_\_\_\_\_\_\_ are certificates that give buyers a saving when they purchase

 specified products.

 a. Samples

 b. Premiums

 c. Coupons

 d. Patronage rewards

**Answer: (c) Page: 497**

86. If a retailer were to offer the consumer a “two for one” deal in purchasing

 merchandise, which of the following sales promotional techniques would have

 been used?

 a. samples

 b. premiums

 c. coupons

 d. price packs

**Answer: (d) Page: 498**

87. If Cheerios includes a free toy from a Disney movie in its cereal boxes as an

 incentive to purchase cereal, which of the following forms of sales promotion

 was used?

 a. samples

 b. premiums

 c. coupons

 d. price packs

**Answer: (b) Page: 498, 499**

88. If an advertiser were to give consumers useful articles (imprinted with the

 advertiser’s name) as gifts (such a pen or calendar), which of the following

 sales promotional forms would the advertiser be using?

 a. samples

 b. premiums

 c. point-of-purchase promotions

 d. advertising specialties

**Answer: (d) Page: 499**

89. Manufacturers direct most of their sales promotional dollars toward which of the

 following groups?

 a. consumers

 b. retailers and wholesalers

 c. lobbyists

 d. publics such as shareholders

**Answer: (b) Page: 499**

90. \_\_\_\_\_\_\_\_\_\_ is defined as being cash or gifts to dealers or their sales forces to

 “push” the manufacturer’s goods.

 a. A display allowance

 b. A price-off

 c. A spiff

 d. Push money

**Answer: (d) Page: 499, 500**

91. Which type of promotion uses buying allowances, push money, and free goods?

 a. consumer promotion

 b. trade promotion

 c. sales force promotion

 d. place promotion

**Answer: (b) Page: 499**

92. The type of trade-promotion tool in which the manufacturer takes a fixed amount

 off the list price on each case purchased during a stated period of time is called a(n):

 a. discount.

 b. allowance.

 c. premium.

 d. rebate.

**Answer: (a) Page: 499**

93. The type of trade-promotion discount in which manufacturers agree to reduce the

 price to the retailer in exchange for the retailer’s agreement to feature the

 manufacturer’s products in some way is called a(n):

 a. discount.

 b. allowance.

 c. premium.

 d. rebate.

**Answer: (b) Page: 499**

94. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is a major promotion function whose objective is to build good

 relations with the company’s various publics.

 a. Advertising

 b. Direct marketing

 c. Public relations

 d. Specialty events

**Answer: (c) Page: 501**

95. All of the following would be considered to be functions performed in public

 relations EXCEPT:

 a. press relations.

 b. public affairs.

 c. bribery (when necessary).

 d. lobbying.

**Answer: (c) Page: 501**

96. Despite its potential strengths, public relations is often described as a(n):

 a. unethical business.

 b. marketing stepchild.

 c. corrupt practice.

 d. cost drain that is not fruitful.

**Answer: (b) Page: 502**

97. All of the following would be considered to be major public relations tools

 EXCEPT:

a. news.

 b. speeches.

 c. testifying.

 d. special events such as news conferences.

 **Answer: (c) Page: 503**

98. If an advertiser were to use corporate stationery, brochures, signs, and business

 cards to advance the public relations interests of the company, they would be

 using which of the following forms of PR?

 a.  slick-back materials
 b.  audiovisual materials
 c.  corporate identity materials
 d.  public service materials

**Answer:  (c)  Page:  504**

**TRUE/FALSE QUESTIONS**

99. According to evaluations of American Standard’s integrated direct-marketing

 campaign, the key to success was to get customers who had made inquires to

 purchase at least $400 of merchandise.

**Answer: (False) Page: 469**

100. Direct marketing is any paid form of nonpersonal presentation and promotion of

 ideas, goods, or services by an identified sponsor.

**Answer: (False) Page: 470**

101. As a form of promotion, personal selling is a personal presentation by the firm’s

 sales force for the purpose of making sales and building customer relationships.

**Answer: (True) Page: 470**

102. Short-term incentives to encourage the purchase or sale of a product or

 service is called public relations.

**Answer: (False) Page: 470**

103. Vast improvements in information technology are speeding marketing

 communications toward segmented marketing.

**Answer: (True) Page: 471**

104. Market fragmentation has also resulted in profit fragmentation.

**Answer: (False) Page: 472**

105. Today, companies are doing less broadcasting and more narrowcasting.

**Answer: (True) Page: 472**

106. Integrated marketing communications means that all communications (such as

 public relations, sales promotion, and direct marketing) have been adapted to

 television.

**Answer: (False) Page: 472**

107. One of the chief limitations of the Internet with respect to communication is

 format and quality constraints.

**Answer: (True) Page: 473, Marketing at Work 13-1**

108. The communications process should begin with a creative spark--a big bang.

**Answer: (False) Page: 475**

109. If you want to get a mass audience, newspaper is where you have to be.

**Answer: (False) Page: 476**

110. One of the shortcomings of advertising is that it is impersonal and cannot be

 as directly persuasive as a company’s salespeople.

**Answer: (True) Page: 476**

111. Personal selling is the most expensive promotion tool.

**Answer: (True) Page: 476**

112. If a company were to use coupons, contests, and premiums, they would be using

 some of the various forms of advertising.

**Answer: (False) Page: 476**

113. Direct marketing is nonpublic.

**Answer: (True) Page: 477**

114. The push strategy of promotion suggests a promotion strategy that calls for

 spending a lot (pushing) on advertising and consumer promotions to build up

 consumer demand.

**Answer: (False) Page: 477, 478, Figure 13-2**

115. B2B marketers tend to use a push strategy (push more), putting more funds into

 personal selling, followed by sales promotion, advertising, and public relations.

**Answer: (True) Page: 478**

116. Advertising can be traced back to the very beginnings of recorded history.

**Answer: (True) Page: 478**

117. The largest U.S. advertiser is General Motors.

**Answer: (True) Page: 478**

118. Building primary demand is one of the possible objectives of persuasive

 advertising.

**Answer: (False) Page: 479, 480, Table 13-1**

119. Advertising objectives can be classified by primary purpose--such as do you eat,

 wear, or drive it.

**Answer: (False) Page: 479**

120. The affordable method of establishing an advertising budget is valuable because

 it appreciates the impact of promotion on sales.

**Answer: (False) Page: 480**

121. One of the arguments to support the competitive-parity method of setting

 advertising budgets is that spending what competitors spend helps to prevent

 promotion wars.

**Answer: (True) Page: 481**

122. One of the characteristics of an advertising appeal is that it should be price-

 oriented.

**Answer: (False) Page: 484**

123. Snowboarding using a Burton Snow Board could be a theme incorporated into

 a lifestyle commercial.

**Answer: (True) Page: 487**

124. In mood or image advertising, no claim is made about the product except through

 suggestion.

**Answer: (True) Page: 487**

125. Reach is a measure of how many times the average person in the target market is

 exposed to the message.

**Answer: (False) Page: 488**

126. Some of the very real problems with direct mail are high absolute costs, high clutter,

 fleeting exposure, and less audience selectivity.

**Answer: (False) Page: 489, Table 13-2**

127. If a company wants the advantage of no ad competition within the same medium

 when picking a media form for advertising, they would choose direct mail.

**Answer: (True) Page: 489, Table 13-2**

128. If a company wants the advantage of high repeat exposure, low cost, low

 message competition, and good positional selectivity when picking a media form

 for advertising, they would choose radio.

**Answer: (False) Page: 489, Table 13-2**

129. Pulsing means scheduling ads unevenly over a given time period.

**Answer: (True) Page: 490**

130. Sales effects of advertising are often easier to measure than the communication

 effects.

**Answer: (False) Page: 492**

131. The largest U.S. advertising agency is now J. Walter Thompson International.

**Answer: (False) Page: 493**

132. Most international advertisers think globally and act locally.

**Answer: (True) Page: 493**

133. Sales promotion offers reasons to buy in the future since the buyer will probably

 not buy now.

**Answer: (False) Page: 495**

134. An example of a consumer promotion tool is an allowance.

**Answer: (False) Page: 497-499**

135. Price packs are like coupons except that the price reduction occurs after the

 purchase rather than at the retail outlet.

**Answer: (False) Page: 498**

136. Kroger’s grocery stores agreed to feature Coca-Cola products in three end-of-

 aisle displays for two weeks in October. In return, Coca-Cola agreed to reduce

 the price of their products to Kroger’s by five cents a carton. This would be called

 an allowance.

**Answer: (True) Page: 499**

137. Push money is a bribe in most circumstances and is deemed illegal by the

 Federal Trade Commission.

**Answer: (False) Page: 499, 500**

138. One of the functions of advertising is to head off unfavorable rumors, stories,

 and events that might negatively impact a firm and its goods and services.

**Answer: (False) Page: 501**

139. The public affairs role of public relations activities is to build and maintain

 national or local community relations.

**Answer: (True) Page: 501**

140. Public relations is often described as a marketing stepchild because of its

 limited and scattered use.

**Answer: (True) Page: 502**

141. One of the difficulties in transferring marketing and communications functions to

 the Internet and a company’s Web site is the inability of these Web sites to

 perform an adequate public relations role.

**Answer: (False) Page: 504**

**ESSAY QUESTIONS**

142. Name and define the five tools of the promotional mix suggested by the text.

**Answer:**

(a) Advertising--any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.

(b) Personal selling--personal presentation by the firm’s sales force for the purpose of making sales and building customer relationships.

(c) Sales promotion--short-term incentives to encourage the purchase or sale of a product or service.

(d) Public relations--building good relations with the company’s various publics by obtaining favorable publicity, building up a good “corporate image,” and handling or heading off unfavorable rumors, stories, and events.

(e) Direct marketing--direct communications with carefully targeted individual consumers to obtain an immediate response and cultivate lasting customer relationships.

**Page: 470**

143. Define and justify the need for integrated marketing communications (IMC).

**Answer:**

Integrated marketing communications is defined as being the concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent, and compelling message about the organization and its products.

The shift from mass marketing to targeted marketing, and the corresponding use of a larger, richer mix of communication channels and promotion tools, poses a problem for marketers. Confusion often arose in the minds of consumers because of the multiple communication messages they received. Integration has proved to be the key for solving this problem.

**Page: 472**

144. Compare the situations when advertising and personal selling are most effective (advantages of the medium) in reaching and impacting consumers and their decision- making processes.

**Answer:**

Advertising can reach masses of geographically dispersed buyers at low cost per exposure, and it enables the seller to repeat a message many times. Beyond reach, large-scale advertising says something positive about the seller’s size, popularity, and success. Advertised products are viewed as being legitimate and advertising is expressive. It can be used to build a long-term image for a product or trigger quick sales.

Personal selling is the most effective tool at certain stages of the buying process, particularly in building up buyer’s preferences, convictions, and actions. Its personal interaction feature is a positive. Personal selling allows all kinds of relationships to spring up. Under personal selling, a buyer usually feels a greater need to listen and respond to message being delivered.

**Page: 476**

145. Explain push and pull promotion mix strategies for reaching the market.

**Answer:**

The *push strategy* is as promotion strategy that calls for using the sales force and trade promotion to push the product through channels.

The *pull strategy* is a promotion strategy that calls for spending a lot on advertising and consumer promotion to build up consumer demand. If the strategy is successful, consumer demand will pull the product through the channel.

**Page: 477, 478, Figure 13-2**

146. List and briefly describe the major advertising decisions described in the text.

**Answer:**

There are four distinct steps suggested in the text. Step one is to set advertising objectives (in this step communication and sales objectives should be established). Step two is to set the advertising budget (one of four forms can be selected--affordable method, percent of sales, competitive parity, or objective and task). Step three is to establish advertising strategy that consists of creating advertising messages and selecting advertising media. Step four is performing an advertising or campaign evaluation (the program evaluates its effectiveness in communication as well as sales effects).

Students should elaborate and describe each step as per information found in the text.

**Page: 479-493, Figure 13-3**

147. Advertising objectives can be classified as to primary purpose. The text lists three broad forms of objectives. Define each and give an example of a specific objective that might be accomplished by the advertiser should they choose the general objective form.

**Answer:**

Advertising objectives can be classified as being informative, persuasive, or reminder in nature.

(a) Informative advertising is advertising used to inform consumers about a new product or feature and to build primary demand. An example would be “informing the market of a price change.” [For additional objectives see Table 13-1.]

(b) Persuasive advertising is advertising to build selective demand for a brand by persuading consumers that it offers the best quality for their money. An example would be “encouraging switching to your brand.” [For additional objectives see Table 13-1.]

(c) Reminder advertising is advertising used to keep consumers thinking about a product. An example would be “reminding customers where to buy the product.” [For additional objectives see Table 13-1]

**Page: 479, 480, Table 13-1**

148. List and briefly identify each of the major budget forms that can be applied to advertising.

**Answer:**

Forms include the affordable method, the percentage-of-sales method, the competitive-parity method, and the objective-and-task method.

The affordable method--the advertiser sets the promotion budget at the level they think the company can afford. Often used by small companies. Ignores the effects of promotion on sales.

The percentage-of-sales method--sets the promotion budget at a certain percentage of current or forecasted sales. Or a percentage of the unit sales price is used. It is simple to use and makes management think about advertising with respect to sales. However, it wrongly views the cause and effect present in the advertising and sales relationship. It is usually based on availability of funds. No advice is given on choosing a specific percentage.

The competitive-parity method--sets the promotional budget to match competitors’ outlays. Some think this method represents the collective wisdom of the industry and it avoids price wars by maintaining status quo. Neither of these arguments is valid.

The objective-and-task method--the most logical of the methods, the company sets its promotional budget based on what it wants to accomplish with promotion. It forces management to state what they want to do, however, this method is hard for many companies.

**Page: 480-482**

149. Advertising appeals should have three characteristics. What are they?

**Answer:**

Advertising appeals should be meaningful, believable, and distinctive.

 **Page: 484**

150. The text identifies nine execution styles that might be used by the advertiser to present its message to the consumer. Pick one of these styles and collect four advertisements that illustrate the style. Be sure to explain why your chosen ads fit the style you have chosen. Submit these ads to your professor.

**Answer:**

This question is designed as a take-home assignment. The question can be changed to fit the examination format. Be sure students understand exactly what you want them to do with this question to avoid confusion.

**Page: 487, 488**

151. Define and briefly explain the terms *reach*, *frequency*, and *impact*.

**Answer:**

*Reach* is a measure of the percentage of people in the target market who are exposed to the ad campaign during a given period of time.

*Frequency* is a measure of how many times the average person in the target market is exposed to the message.

*Impact* (media impact) is the qualitative value of a message exposure through a given medium.

**Page: 488, 489**

152. It is often difficult to determine which of the mass media forms are most appropriate in certain situations. List the advantages and disadvantages for using newspapers, television, radio, and magazines.

**Answer:**

(a) Newspapers--advantages: flexibility; timeliness; good local market coverage; broad acceptability; high believability. Disadvantages: short life; poor reproduction quality; small pass-along audience.

(b) Television--advantages: good mass-market coverage; low cost per exposure; combines sight, sound, and motion; appealing to the senses. Disadvantages: high absolute costs; high clutter; fleeting exposure; less audience selectivity.

(c) Radio--advantages: good local acceptance; high geographic and demographic selectivity; low cost. Disadvantages: audio only; fleeting exposure; low attention; fragmented audiences.

(d) Magazines--advantages: high geographic and demographic selectivity; credibility and prestige; high quality reproduction; long life and good pass-along readership. Disadvantages: long ad purchase lead time; high cost; no guarantee of position.

**Page: 489, Table 13-2**

153. Many tools can be used to accomplish sales promotion objectives. List and briefly describe the main consumer-promotion tools. Be specific in your listing and descriptions.

**Answer:**

There are nine specific areas mentioned in the text. They are as follows:

(a) Samples--this offers the customer a trial amount, they are free in many cases, are often used to introduce a new product, and are often combined into sample packs (which have several products contained in them).

(b) Coupons--certificates that give buyers a saving when they purchase specified products. They can stimulate the sales of mature products or promote trial of a new brand. They can be delivered via the mail or through point-of-purchase displays.

(c) Cash refund (or rebates)--like coupons except that the price reduction occurs after the purchase rather than at the retail outlet. The consumer sends in a “proof of purchase” to get the refund.

(d) Price packs (cents-off deals)--offer consumers savings off the regular price of a product (such as two-for-one).

(e) Premiums--goods offered either free or low cost as an incentive to buy a product, ranging from toys (included with kid’s products) to phone cards, compact discs, and CD-ROMs. A premium may come inside the package, outside the package, or through the mail.

(f) Advertising specialties--useful articles imprinted with an advertiser’s name given as gifts to consumers. Typical items include pens, calendars, key rings, matches, shopping bags, T-shirts, caps, et cetera.

(g) Patronage rewards--these are cash or other awards offered for the regular use of a certain company’s products or services. An example would be a “frequent flyer” plan.

(h) Point-of-Purchase (POP) promotions--include displays and demonstrations that take place at the point-of-purchase or sale. Large cardboard cutouts placed close to the products they represent are examples.

(i) Contests, sweepstakes, and games--give customers the chance to win something, such as cash, trips or goods, by luck or through extra effort.

**Difficulty: (3) Page: 497-499**

154. List and briefly describe the primary functions performed within public relations.

**Answer:**

Press relations or press agentry--creating and placing newsworthy information in the news media to attract attention to a person, product, or service.

Product publicity--publicizing specific products.

Public affairs--building and maintaining national or local community relations.

Lobbying--building and maintaining relations with legislators and government officials to influence legislation and regulation.

Investor relations--maintaining relationships with shareholders and others in the financial community.

Development--public relations with donors or members of nonprofit organizations to gain financial or volunteer support.

**Difficulty: (3) Page: 501-502**

**APPLICATION QUESTION**

155. Mark Johnson is the advertising director for a new home entertainment company that has just recently opened in the St. Louis area. Mr. Johnson’s company sells large screen TVs, HDTV systems, satellite dishes, and custom home theater and audio systems. Johnson realizes that his company’s products are expensive, however, all marketing research performed by the company indicates that an upscale market (those that earn above $150,000 per year in income) exists in St. Louis for the products carried by the firm. The decision facing Mr. Johnson is how to effectively spend the company’s $50,000 advertising budget for the next six months. Using mass media forms of your choice, allocate the $50,000 among one or all of the media forms discussed in the text. Remember, when making this allocation, justify your picks and amount of allocation. The best way to do this is to remember the advantages and disadvantages of each of the media forms. Be sure to define your proposed target market and indicate how the mass media that you have selected might feasibly reach this market.

**Answer:**

*\*\*\*\*\*Instructor’s Note: The instructor may choose to give additional instructions with this question or give it as a take-home assignment. If the instructor wants additional restrictions put on the question parameters, be sure to explain them. The student should be given creative freedom on this question and be primarily graded on the correct usage of Table 13-2 in formulating an answer.\*\*\*\*\**

A suggested answer to this question would be as follows:

Allocate $25,000 in local magazines--rationale: magazines (when carefully selected) have high geographic and demographic selectivity, credibility, and prestige. They can also target those in affluent subdivisions.

Allocate $15,000 to a targeted direct mail campaign--rationale: direct mail, even though it has a junk mail image, can be used effectively to reach an upscale market; personalization is a factor. Consider how Cadillac or Lincoln reaches their customers. The company might enter into a co-op arrangement with a local distributor (provide them with a system for their showroom in exchange for their direct mail list). Print provides the best way to explain the company’s services. This money could also be used on the Internet if the company has a Web site or can find a way to use database information. Some students will choose this option rather than traditional media options.

Allocate $10,000 to an introductory campaign in the local newspaper--rationale: this would allow readers to see how the new company has begun its business.

All other media forms are either too expensive (television--especially considering the cost of making the commercial), directed toward the wrong audience (radio--even though a case could be made for narrow-focused stations such as Jazz), or lacks audience selectivity (Outdoor). The company could attempt online marketing but they would again face the problem of reaching their target audience.

Examine how students devised their plan. The amounts of money selected are not as important as the rationale for their plan.

**Page: 489, Table 13-2**