

Mk411 – college essay



MK 411 Marketing Management Final Exam Park University, Instructor Cheryl Bernier Spring 2012 Total Point Value = 300 STUDENTNAME: __Kisha

Barrett _____ DATE: 3/4//2012 NOTE

TO PROCTORS: If you are faxing the exam, please ensure that the student's name appears on each page! TRUE/FALSE QUESTIONS: To follow are 20 true or false questions. You are to indicate whether each statement is true or false (T or F), based on your readings and understanding of the topics.

Indicate your response on the attached answer sheet. Each question is worth 5 points, for a total of 100 points. . A product is anything that can be offered to a market to satisfy a want or need. (TRUE) 2. The product hierarchy stretches from basic needs to particular items that satisfy those needs. (TRUE) 3. A service is defined as any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. (TRUE) 4. Services cannot be stored, so their perishability can become a problem when demand fluctuates. (TRUE) 5. Price elasticity depends upon the magnitude and direction of the contemplated price change. (TRUE) 6.

An increasing number of companies are basing their pricing on perceived value, which is the value that the consumer decides the product is worth and is the same across all incomes and regions of the company. (FALSE) 7.

Marketing channels are sets of interdependent organizations involved in the process of making a product or service available for use or consumption.

(TRUE) 8. Designing a marketing channel involves analyzing customer needs, establishing channel objectives, and identifying cost-saving channels, identifying key channel partners, and evaluating all alternatives. (TRUE) 9.

Retailing includes all the activities involved in selling goods or services directly to final consumers for personal, nonbusiness use. (TRUE) 10. An off-price retailer is one in which the retailer has a broad selection of high-markup, fast-moving, brand-name goods in stock. (TRUE) 11. Brand recall is easier to achieve than brand recognition. (FALSE) 12. The factors that underlie source credibility include expertise, trustworthiness, and appropriateness. (FALSE) 13. An advertising goal (or objective) is a specific communications task and achievement level to be accomplished with a specific audience in a specific period of time. (TRUE) 14. The advertising objective should emerge from a thorough analysis of the current marketing situation. (TRUE) 15. Sales training today tries to transform a salesperson from a passive order taker into an active order getter who engages in customer problem solving. (TRUE) 16. One of the shortcomings of direct marketing is that the firm conducting the marketing cannot easily measure its response to find out which campaign was most effective. 17. A company can add new products through acquisition or development. (TRUE) 18.

Truly innovative products incur the greatest cost and risk to the firm because they are both new to the company and new to the marketplace. (TRUE) 19.

Global firms, because they are targeting such a large market, must abandon niche strategies. (FALSE) 20. The main disadvantage of direct investment is that the firm exposes a large investment to risks such as blocked or devalued currencies, worsening markets, or expropriation. (TRUE)

STUDENTNAME: Kisha Barrett_____

ESSAY QUESTIONS: To follow are 12 essay questions.

You are to choose 10 questions and provide a response to the 10 questions of your choice. Be sure to indicate which questions you chose to answer. If you answer more than 10 questions, I will only grade the first 10. Your goal is to provide a well-developed, approximately 2-paragraph response to each chosen question. You want to demonstrate your understanding of the material, as well as your ability to apply it to the situations that are posed. Each question is worth a maximum of 20 points, for a total of 200 points. 1.

In planning its market offering, the marketer must address the five product levels of the customer-value hierarchy. Describe the “customer-value hierarchy” and identify and explain the five levels of product contained within. Each layer adds more customer value, and the five levels are: 1. The core benefit—the service or benefit the customer is really buying; 2. The basic product—the actual product that provides the core benefit; 3. Expected product—a set of attributes and conditions buyers normally expect when they purchase the product; 4. The augmented product—the marketer exceeds customer expectations; and 5.

The potential product—which encompasses all the possible augmentations and transformations the product or offering might undergo in the future. These five elements constitute the buyers’ consumption system. 2. The vast array of products that consumers buy can be classified on the basis of shopping habits and are broken down into four main areas. List these four main classifications of consumer goods and fully explain what elements are included within. The four main areas are: 1. Convenience goods are bought frequently, immediately, and with a minimum of effort; 2.

Shopping goods are goods that the consumer characteristically compares on such bases as suitability, quality, price, and style; 3. Number of buyers are willing to make a special purchasing effort; and 4. Unsought goods are those goods that the consumer does not know about or does not normally think of buying. 3. Services have four distinctive characteristics that greatly affect the design of marketing programs. List these characteristics and fully explain each. 1. Intangibility—services cannot be seen, tasted, felt, heard, or smelled before they are bought; 2.

Inseparability— services are produced and consumed simultaneously; 3.

Variability—because services depend on who provides them and when and where they are provided, they are highly variable in their

delivery/consistency; and 4. Perishability— services cannot be stored, inventoried, or shelved 4. The service outcome, and whether people will

remain loyal to a service provider, is influenced by a host of variables.

Identify and describe the eight categories into which these factors fall. 5. An increasing number of companies are basing their prices on the customer's perceived value.

Explain the concept of “ perceived value” and identify the key to pricing in this manner. Perceived value is made up of several elements, such as the buyer's image of the product performance, the channel deliverables, the warranty quality, customer support, and softer attributes such as the supplier's reputation, trustworthiness, and esteem. Each potential customer places different weights on these different elements, with the result that some will be price buyers, others value buyers, and others loyal buyers. Companies will need different strategies for each of these three groups.

The key to perceived value pricing is to deliver more value than the competitor and to demonstrate this to prospective buyers. The company can determine the value of its offering in several ways: managerial judgments, value of similar products, focus groups, survey, experimentation, analysis of historical data, and conjoint analysis. 6. Explain the differences between a vertical marketing system (VMS) and a conventional marketing system? 7. The “ wheel-of-retailing” hypothesis explains one reason that new store types emerge. Explain this hypothesis and delineate the four service levels available to retailers.

The “ wheel-of-retailing” hypothesis states that conventional retail stores typically increase their services and raise their prices to cover the costs. These higher costs provide an opportunity for new store forms to offer lower prices and less service. New store types meet widely different consumer preferences for service levels and specific service 8. Communication tools vary in cost-effectiveness at different stages of buyer readiness. Discuss which communication tools are most cost-effective at the five stages of buyer readiness. Communication tools vary in cost effectiveness at different stages of buyer readiness.

Advertising and publicity play the most important roles in the awareness-building stage. Customer comprehension is primarily affected by advertising and personal selling. Customer conviction is influenced mostly by personal selling. Closing the sale is influenced mostly by personal selling and sales promotion. Communication tools also vary in cost-effectiveness at different stages of the product life cycle. In the introduction stage, advertising, events and experiences and publicity have the highest cost effectiveness, followed

by personnel selling to gain distribution coverage and sales promotion and direct marketing to induce trial.

In the growth stage, demand has its own momentum through word of mouth.

In the maturity stage, advertising events and experiences and personal selling all grow more important. In the decline stage, sales promotion continues strong other communication tools are reduced, and salespeople give the product only minimal attention. 9. In developing an advertising program, marketing managers can make the five major decisions know as the five Ms. List and explain each of these Ms. 1. Mission—sales goals and advertising objectives; 2.

Money—factors to consider: stage in PLC, market share and consumer base, competition and clutter, advertising frequency; and product substitutability; 3. Message—message generation, message evaluation and selection; message execution, social-responsibility review; 4. Media—reach, frequency, impact, major media types, specific media vehicles, media timing, geographical media-allocation; and 5. Measurement—communication impact and sales impact. 10. The days when all the sales force did was “ sell, sell, and sell” are long gone. Today companies need to define the specific objectives they want their sales force to achieve.

The specific allocation scheme depends upon the kind of products and customers that the salesperson is selling. However, regardless of the selling context, salespeople will have one or more specific tasks to perform. List and explain these tasks. 1. Prospecting: searching for new leads or prospects; 2. Targeting: deciding how to allocate their time among prospects and

customers; 3. Communicating: communicating information about the company's products and services; 4. Selling: approaching, presenting, answering questions, overcoming objections, and closing sales; 5.

Servicing: providing various services to the customers—consulting on problems, rendering technical assistance, arranging financing, expediting delivery; 6. Information gathering: conducting market research and doing intelligence work; and 7. Allocating: deciding which customers will get scarce products during product shortages. 11. The consumer-adoption process focuses on the mental process through which an individual passes from first hearing about an innovation to final adoption or use of the product/service. Adopters of new products have been observed to move through five distinct stages. List and define these stages. . Awareness, where the consumer becomes aware of the innovation but lacks information about it; 2. Interest, where the consumer is stimulated to seek information about the innovation; 3. Evaluation, where the consumer considers whether to try the innovation; 4. Trial, where the consumer tries the innovation to improve his or her estimate of its value; and 5. Adoption, where the consumer decides to make full and regular use of the innovation. 12. Most companies would prefer to remain domestic if their domestic market were large enough. Yet several factors are drawing more and more companies into the international arena.

List and explain at least four of these factors. 1. The company needs a larger customer base to achieve economies of scale. 2. They want to reduce its dependence on any one market. 3. The company's customers are going abroad and require international servicing. 4. The company discovers that some foreign markets present higher profit opportunities than the domestic

market TRUE/FALSE ANSWER SHEET: 1. TRUE 2. TRUE 3. TRUE 4. TRUE 5.
TRUE 6. FALSE 7. TRUE 8. TRUE 9. TRUE 10. TRUE 11. FALSE 12. FALSE 13.
TRUE 14. TRUE 15. TRUE 16. FALSE 17. TRUE 18. TRUE 19. FALSE 20. TRUE