

1) A key ingredient of the marketing management process is insightful, \_\_\_\_\_ marketing strategies and plans that can guide marketing activities.

- a. niche
- b. measurable
- c. creative
- d. micro
- e. macro

Answer: c

Diff: 2

Type: MC

Page Reference: 31

Skill: General Concept

2) Value delivery process can be divided into three phases, out of which "choosing the value" implies \_\_\_\_\_, which is the essence of strategic marketing

- a. segmentation, developing, and delivering
- b. segmentation, targeting, and positioning
- c. targeting, positioning, and communicating
- d. targeting, positioning, and delivering
- e. researching, developing, and delivering

Answer: b

Diff: 2

Type: MC

Page Reference: 32

Skill: Application

3) The task of any business is to deliver \_\_\_\_\_ at a profit.

- a. customer needs
- b. products
- c. improved quality
- d. customer value
- e. products and services

Answer: d

Diff: 2

Type: MC

Page Reference: 32

Skill: General Concept

4) In a hypercompetitive economy such as ours, a company can win only by fine-tuning the value delivery process and choosing, providing, and \_\_\_\_\_ superior value.

- a. composing
- b. communicating
- c. researching
- d. developing
- e. selecting target markets with

Answer: b

Diff: 2

Type: MC

Page Reference: 32

Skill: General Concept

5) The traditional view of marketing is that the firm makes something and then \_\_\_\_\_ it.

- a. markets
- b. services
- c. distributes
- d. prices
- e. sells

Answer: e

Diff: 1

Type: MC

Page Reference: 32

Skill: General Concept

6) James Frank has been put in charge of all the activities involved in receiving and approving orders, shipping the goods on time, and collecting payment. Mr. Frank's task is best described as part of the \_\_\_\_\_.

- a. market-sensing process

- b. new-offering realization process
- c. customer acquisition process
- d. customer relationship management process
- e. fulfillment management process

Answer: e

Diff: 2

Type: MC

Page Reference: 34

Skill: General Concept

7) The first phase of the value creation and delivery sequence is \_\_\_\_\_ that represents the "homework" marketing must do before any product exists.

- a. target marketing
- b. projective thinking
- c. service consideration
- d. market research
- e. choosing the value

Answer: e

Diff: 2

Type: MC

Page Reference: 32

Skill: General Concept

8) The last step in the value creation and delivery sequence is \_\_\_\_\_ the value where the sales force, sales promotion, advertising, and other communication tools announce and promote the product.

- a. reversing
- b. distributing
- c. developing
- d. researching
- e. communicating

Answer: e

Diff: 2

Type: MC

Page Reference: 32

Skill: General Concept

9) You've been hired by a company to guide them through replacing the traditional physical process sequence with a value creation and delivery sequence. You would recommend that they replace their first step "make the product" with

- a. "communicate the value".
- b. "design the product".
- c. "choose the value".
- d. "sell the product".
- e. "provide the value".

Answer: c

Diff: 2

Type: MC

Page Reference: 32

Skill: Application

10) The holistic marketing framework is designed to address three key management questions: value \_\_\_\_\_, value creation, and value delivery.

- a. proposition
- b. chain
- c. exploration
- d. segmentation
- e. network

Answer: c

Diff: 2

Type: MC

Page Reference: 35

Skill: General Concept

11) The \_\_\_\_\_ is a tool for identifying ways to create more customer value.

- a. promotion channel
- b. value chain

- c. brand loyalty index
- d. supplier database
- e. customer survey

Answer: b

Diff: 1

Type: MC

Page Reference: 32

Skill: General Concept

12) Today, teams develop the \_\_\_\_\_ with inputs and sign-offs from every important function.

- a. market plan
- b. organizational plan
- c. corporate mission
- d. customer-value statement
- e. strategic marketing plan

Answer: a

Diff: 3

Type: MC

Page Reference: 36

Skill: Application

13) Which of the following is NOT one of the four planning activities undertaken by all corporate headquarters?

- a. defining the corporate mission
- b. establishing strategic business units
- c. assigning resources to each SBU
- d. assessing growth opportunities
- e. deciding sales channels

Answer: e

Diff: 2

Type: MC

Page Reference: 36

Skill: Application

14) The \_\_\_\_\_ identifies nine strategically relevant activities that create value and cost in a specific business.

- a. manager's log
- b. value proposition
- c. value chain
- d. annual report
- e. mission statement

Answer: c

Diff: 2

Type: MC

Page Reference: 32

Skill: General Concept

15) The \_\_\_\_\_ in the value chain cover the sequence of bringing materials into the business (inbound logistics), converting them into final products (operations), shipping out final products (outbound logistics), marketing them (marketing and sales), and servicing them (service).

- a. secondary activities
- b. manufacturing process
- c. tertiary activities
- d. operations process
- e. primary activities

Answer: e

Diff: 2

Type: MC

Page Reference: 32

Skill: General Concept

16) Procurement, technology development, human resource management, and firm infrastructure are handled in certain specialized departments and are called

- a. support activities.
- b. benchmark activities.
- c. inventory activities.

- d. primary activities.
- e. materials handling.

Answer: a

Diff: 3

Type: MC

Page Reference: 32

Skill: General Concept

17) The firm should estimate its competitors' costs and performances as \_\_\_\_\_ against which to compare its own costs and performance.

- a. standards
- b. challenges
- c. competition
- d. moveable standards
- e. benchmarks

Answer: e

Diff: 1

Type: MC

Page Reference: 33

Skill: General Concept

18) The firm's success depends not only on how well each department performs its work, but also on how well the various departmental activities are coordinated to conduct

- a. satellite businesses.
- b. core technologies.
- c. core values.
- d. core strategies.
- e. core business processes.

Answer: e

Diff: 2

Type: MC

Page Reference: 33

Skill: General Concept

19) With respect to core business processes, all the activities involved in gathering market intelligence, disseminating it within the organization, and acting on the information is referred to as the

- a. market sensing process.
- b. market research process.
- c. deployment process.
- d. market pulse process.
- e. target marketing process.

Answer: a

Diff: 2

Type: MC

Page Reference: 33

Skill: General Concept

20) With respect to the core business processes, all the activities involved in researching, developing, and launching new high-quality offerings quickly and within budget are referred to as the

- a. product development process.
- b. product launch process.
- c. new offering realization process.
- d. return on investment process.
- e. new product process.

Answer: c

Diff: 3

Type: MC

Page Reference: 33

Skill: General Concept

21) With respect to the core business processes, the \_\_\_\_\_ is considered to be all the activities involved in defining target markets and prospecting for new customers.

- a. customer equity process
- b. customer relationship management process
- c. customer acquisition process
- d. fulfillment management process

e. customer prospecting process

Answer: c

Diff: 2

Type: MC

Page Reference: 33

Skill: General Concept

22) A good way to describe the \_\_\_\_\_ would be discuss all the activities involved in building deeper understanding, relationships, and offerings to individual customers.

- a. customer relationship management process
- b. customer acquisition process
- c. customer prospecting process
- d. customer equity process
- e. customer fulfillment management process

Answer: a

Diff: 2

Type: MC

Page Reference: 33

Skill: General Concept

23) Apex Corporation is known in its industry being "best of class" in terms of costs and performance. Your firm could probably use Apex Corporation as a

- a. benchmark.
- b. target.
- c. competitor to beat.
- d. sounding board for ideas.
- e. future supplier.

Answer: a

Diff: 1

Type: MC

Page Reference: 33

Skill: Application

24) Lee Wong has been put in charge of gathering marketing intelligence, disseminating it within his organization, and eventually directing action on the information. Which of the following core business processes most closely matches with the task that Mr. Wong has been given?

- a. customer acquisition process
- b. market sensing process
- c. fulfillment management process
- d. new offering realization process
- e. customer relationship management process

Answer: b

Diff: 3

Type: MC

Page Reference: 33

Skill: Application

25) Another way to describe a value delivery network (partnering with specific suppliers and distributors) is to call it a

- a. cabal.
- b. domestic power centre.
- c. supply chain.
- d. teamwork group.
- e. link to relationships.

Answer: c

Diff: 1

Type: MC

Page Reference: 33

Skill: General Concept

26) The key to utilizing organizational core competencies is to \_\_\_\_\_ that make up the essence of the business.

- a. own all intermediaries who come in contact with your goods and services
- b. own and nurture the resources and competencies
- c. emphasize global promotions
- d. make the competencies pay for themselves

e. segment workforces

Answer: b

Diff: 3

Type: MC

Page Reference: 34

Skill: General Concept

27) We can say that a \_\_\_\_\_ has three characteristics: (1) It is a source of competitive advantage in that it makes a significant contribution to perceived customer benefits, (2) it has applications in a wide variety of markets, and (3) it is difficult for competitors to imitate.

- a. core technology
- b. winning strategy
- c. strategic business unit
- d. business strategy
- e. core competency

Answer: e

Diff: 2

Type: MC

Page Reference: 34

Skill: General Concept

28) Core competencies tend to refer to areas of special technical and production expertise, whereas \_\_\_\_\_ tend to describe excellence in broader business processes.

- a. distinctive capabilities
- b. core business values
- c. mission statements
- d. value statements
- e. process benchmarks

Answer: a

Diff: 2

Type: MC

Page Reference: 34

Skill: General Concept

29) A clear, thoughtful mission statement provides employees with a shared sense of purpose, \_\_\_\_\_, and opportunity.

- a. profitability
- b. target market feasibility
- c. vision
- d. direction
- e. quality products

Answer: d

Diff: 2

Type: MC

Page Reference: 37

Skill: General Concept

30) Competitors find it hard to imitate companies such as WestJet Airlines, Dell, or IKEA because they are unable to copy their

- a. logistics system.
- b. pricing policies.
- c. activity systems.
- d. distribution strategy.
- e. product innovations.

Answer: c

Diff: 3

Type: MC

Page Reference: 34

Skill: General Concept

31) One conception of holistic marketing views it as "integrating the value exploration, \_\_\_\_\_, and value delivery activities with the purpose of building long-term, mutually satisfying relationships and co-prosperity among key stakeholders."

- a. value creation
- b. value research
- c. value proposition
- d. value chain

e. value management

Answer: a

Diff: 3

Type: MC

Page Reference: 35

Skill: General Concept

32) Holistic marketers achieve profitable growth by expanding customer share, \_\_\_\_\_, and capturing customer lifetime value.

- a. inspecting all market share data
- b. undermining competitive competencies
- c. building customer loyalty
- d. milking the market for product desires
- e. renewing a customer base

Answer: c

Diff: 2

Type: MC

Page Reference: 35

Skill: General Concept

33) The holistic marketing framework is designed to address three key management questions. Which of the following is one of those questions?

- a. Value network. how can a company effectively network?
- b. Value chain. are there weak links in the company's value chain
- c. Value proposition. how can value propositions be made profitable?
- d. Value exploration. how can a company identify new value opportunities?
- e. Value claims. how does the company deal with value erosion?

Answer: d

Diff: 3

Type: MC

Page Reference: 35

Skill: General Concept

34) The Hospital for Sick Children, located in Toronto, has what is called \_\_\_\_\_ because they have demonstrated excellence in broader business processes.

- a. market savvy
- b. distinctive capabilities
- c. intuitive synergy
- d. business touch
- e. core competency

Answer: b

Diff: 2

Type: MC

Page Reference: 34

Skill: Application

35) Which of the following is one of the five major characteristics of good mission statements?

- a. They define the major competitive spheres within which the company will operate.
- b. They focus on a large number of goals.
- c. They expand the range of individual employee discretion.
- d. They take a short-term view.
- e. They are long and comprehensive to ensure that all critical concepts are included.

Answer: a

Diff: 2

Type: MC

Page Reference: 37

Skill: Application

36) If Canadian retailer, HBC, seeks to be a more holistic marketer, it should achieve profitable growth by expanding \_\_\_\_\_, building customer loyalty, and capturing customer lifetime value.

- a. customer share
- b. promotion venues
- c. database resources
- d. design skills
- e. competitive space share

Answer: a

Diff: 3

Type: MC

Page Reference: 35

Skill: Application

37) In the past Kodak was not necessarily known for embracing technology that did not come from Kodak engineers and designers. However, as Kodak addresses the digital revolution taking over the photographic industry, it wants customers to see it as a leader in digital photography and is moving away from its connection to print-only photography. This would be an example of which of the following value-creation steps?

- a. redefining the big idea
- b. identifying new customer benefits
- c. reshaping the business scope
- d. researching its competitors
- e. redoing its corporate logo

Answer: b

Diff: 3

Type: MC

Page Reference: 32

Skill: Application

38) When a customer places an order at amazon.com, the company processes the customer's payment information, sends the order to the nearest warehouse, and ships the order via FedEx. This is best described as the \_\_\_\_\_.

- a. fulfillment management process
- b. market-sensing process
- c. customer acquisition process
- d. customer relationship management process
- e. new-offering realization process

Answer: a

Diff: 2

Type: MC

Page Reference: 33

Skill: General Concept

39) In the cycle of complete strategic planning, taking corrective action is a part of \_\_\_\_\_.

- a. planning
- b. implementation
- c. organizing
- d. analyzing
- e. controlling

Answer: e

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

40) The \_\_\_\_\_ in the value chain cover these activities: marketing (marketing and sales), and service.

- a. operations processes
- b. manufacturing processes
- c. secondary activities
- d. tertiary activities
- e. primary activities

Answer: e

Diff: 2

Type: MC

Page Reference: 32

Skill: General Concept

41) Which of the following is an example of a value-creation skill?

- a. handling complex relationships with trading partners
- b. broadening the scope of the business
- c. choosing partners for their ability to exploit related market opportunities
- d. substantial investment in infrastructure and capabilities
- e. identifying new customer benefits from the customer's view

Answer: e

Diff: 3

Type: MC

Page Reference: 35

Skill: Application

42) Business realignment may be necessary to maximize core competencies. Which of the following would be one of the steps in this realignment process?

- a. revamping the ethics statement.
- b. reviewing global outreach projections.
- c. reviewing successes from e-commerce (if any).
- d. redefining the business concept (the "big idea").
- e. reviewing all macro relationships.

Answer: d

Diff: 2

Type: MC

Page Reference: 34

Skill: General Concept

43) Michael Porter's value chain would identify which of the following as a support activity?

- a. shipping out final products
- b. marketing products
- c. servicing products
- d. procurement
- e. operations

Answer: d

Diff: 1

Type: MC

Page Reference: 32

Skill: Application

44) \_\_\_\_\_ allows the company to discover who its customers are, how they behave, and what they need or want. It also enables the company to respond appropriately, coherently, and quickly to different customer opportunities.

- a. Total quality management
- b. Network management
- c. Strategic management
- d. Marketing management
- e. Customer relationship management

Answer: e

Diff: 2

Type: MC

Page Reference: 33

Skill: General Concept

45) Which of the following can be considered a primary activity in the value chain process?

- a. procurement
- b. inbound logistics
- c. human resource management
- d. technology development
- e. firm infrastructure

Answer: b

Diff: 3

Type: MC

Page Reference: 32

Skill: General Concept

46) While viewing businesses in terms of customer needs can suggest additional growth opportunities, a \_\_\_\_\_ tends to focus on selling a product or service to a current market.

- a. target market definition
- b. strategic market definition
- c. cognitive definition
- d. product definition
- e. tactical definition

Answer: a

Diff: 2

Type: MC

Page Reference: 39

Skill: General Concept

47) Holistic marketers achieve profitable growth by expanding customer share, building customer loyalty, and

- a. training a stronger sales force.
- b. mirroring the competition.
- c. building better products.
- d. increasing production capacity.
- e. capturing customer lifetime value.

Answer: e

Diff: 2

Type: MC

Page Reference: 35

Skill: Application

48) Gerta Schulz is seen as a \_\_\_\_\_ planner because she plans the daily promotional releases about her company's products and services.

- a. organizational
- b. selective
- c. strategic
- d. niche
- e. tactical

Answer: e

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

49) Which aspect of value delivery allows the company to discover who its customers are, how they behave, and what they need or want?

- a. core competency management
- b. business partnership management

- c. internal resource management
- d. cognitive space management
- e. customer relationship management

Answer: e

Diff: 1

Type: MC

Page Reference: 33

Skill: General Concept

50) What master marketer is known for building a brand in a product area where no brand name had ever existed before?

- a. IKEA
- b. Intel
- c. Molson
- d. Canadian Tire
- e. Virgin

Answer: b

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

51) Strategic planning calls for action in three key areas. Which of these key areas deals specifically with devising a game plan for achieving long-run objectives?

- a. expanding core competencies
- b. producing a strategic fit
- c. creating a viable business opportunity
- d. establishing a strategy
- e. developing an investment portfolio

Answer: d

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

52) Most large companies consist of four organizational levels: the \_\_\_\_\_, the division level, the business unit level, and the product level.

- a. board of director level
- b. major stakeholder level
- c. corporate level
- d. strategic level
- e. management team level

Answer: c

Diff: 1

Type: MC

Page Reference: 36

Skill: General Concept

53) The \_\_\_\_\_ is the central instrument for directing and coordinating the marketing effort.

- a. tactical plan
- b. corporate mission
- c. strategic plan
- d. marketing plan
- e. customer value statement

Answer: d

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

54) The \_\_\_\_\_ lays out the target markets and the value proposition that will be offered, based on an analysis of the best market opportunities.

- a. corporate mission
- b. strategic marketing plan
- c. organizational plan
- d. corporate tactical plan

e. customer value statement

Answer: b

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

55) In which of the following plans would we most likely find directions for implementing and addressing daily challenges and opportunities in product features, promotion, merchandising, pricing, sales channels, and service areas?

- a. target marketing plan
- b. product launch plan
- c. deployment plan
- d. product development plan
- e. tactical marketing plan

Answer: e

Diff: 1

Type: MC

Page Reference: 36

Skill: General Concept

56) If you wanted to find out more about target markets and the organization's value proposition, which of the following types of plans would most likely contain information that might be useful to you in your quest?

- a. strategic marketing plan
- b. organizational plan
- c. marketing mix plan
- d. marketing plan
- e. tactical marketing plan

Answer: a

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

57) The \_\_\_\_\_ process consists of corporate, division, business, and product planning.

- a. planning
- b. implementing
- c. innovation
- d. competitive
- e. controlling

Answer: a

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

58) All corporate headquarters undertake four planning activities, the first of which is

- a. defining the corporate mission.
- b. assigning resources to each SBU.
- c. understanding target markets.
- d. assessing growth opportunities.
- e. establishing strategic business units.

Answer: a

Diff: 1

Type: MC

Page Reference: 36

Skill: General Concept

59) A clear, thoughtful mission statement provides employees with a shared sense of purpose, direction, and

- a. opportunity.
- b. profitability.
- c. quality products.
- d. target market feasibility.
- e. continuous improvement.

Answer: a

Diff: 2

Type: MC

Page Reference: 37

Skill: General Concept

60) Mission statements are at their best when they are guided by a

- a. market.
- b. vision.
- c. value.
- d. strength.
- e. competency.

Answer: b

Diff: 2

Type: MC

Page Reference: 37

Skill: General Concept

61) Fred Smith wanted to deliver mail anywhere in the United States before 10:30 a.m. the next day, so he created FedEx. Which of the following planning aids most likely assisted Mr. Smith with his vision?

- a. the mission statement
- b. a SWOT analysis
- c. knowledge of customers
- d. an executive summary
- e. a database

Answer: a

Diff: 1

Type: MC

Page Reference: 37

Skill: Application

62) Which of the following most closely matches a correct market definition of a business?

- a. Imperial Oil. we sell gasoline.

- b. Alliance Atlantis. we make movies.
- c. Xerox. we make copying equipment.
- d. Canadian National Railroad. we run a railroad.
- e. Encyclopedia Britannica. we distribute information.

Answer: e

Diff: 2

Type: MC

Page Reference: 39

Skill: Application

63) Which of the following terms matches to the phrase "it is a single business or collection of related businesses that can be planned separately from the rest of the company"?

- a. diverse business unit
- b. niche market unit
- c. specialized business unit
- d. growth business unit
- e. strategic business unit

Answer: e

Diff: 1

Type: MC

Page Reference: 39

Skill: General Concept

64) Market-penetration, product-development, and market-development strategies would all be examples of \_\_\_\_\_ strategies.

- a. concentric
- b. conglomerate
- c. integrative growth
- d. horizontal
- e. intensive growth

Answer: e

Diff: 3

Type: MC

Page Reference: 41

Skill: General Concept

65) If you were the CEO of a company that was looking to implement strategies to fill a perceived gap between future desired sales and projected sales, you would most likely explore \_\_\_\_\_ growth first because it would be easier to improve an existing business rather than building a new one.

- a. intensive
- b. diversification
- c. conglomerate
- d. integrative
- e. concentric

Answer: a

Diff: 2

Type: MC

Page Reference: 40

Skill: Application

66) If you were the marketing manager of an organization that had chosen growth via current products sold to new markets, your organization would have chosen a \_\_\_\_\_ strategy.

- a. market-penetration
- b. diversification
- c. product-development
- d. market-development
- e. concentric

Answer: d

Diff: 2

Type: MC

Page Reference: 41

Skill: Application

67) When Mairu Ahmed arrived on his first day of work for his new employer, a small high-tech start-up, he was surprised at how casually his new co-workers were dressed,

how informally they talked to one another, and the relaxed way in which they greeted their customers. Mairu was experiencing his new company's

- a. strategic orientation.
- b. distinctive advantage.
- c. HR training strategy.
- d. competitive positioning.
- e. corporate culture.

Answer: e

Diff: 1

Type: MC

Page Reference: 42

Skill: Application

68) A(n) \_\_\_\_\_ is when a company might seek new businesses that have no relationship to its current technology, products, or markets.

- a. concentric strategy
- b. intensive growth strategy
- c. integrative strategy
- d. conglomerate strategy
- e. horizontal strategy

Answer: d

Diff: 2

Type: MC

Page Reference: 42

Skill: General Concept

69) Which of the following terms most closely matches to "the shared experiences, stories, beliefs, and norms that characterize an organization"?

- a. a business mission
- b. customer relationships
- c. corporate culture
- d. organizational dynamics
- e. an ethical/value statement

Answer: c

Diff: 2

Type: MC

Page Reference: 42

Skill: General Concept

70) The first step in the business unit strategic-planning process deals with which of the following?

- a. goal formulation
- b. program formulation
- c. SWOT analysis
- d. strategy formulation
- e. business mission

Answer: e

Diff: 2

Type: MC

Page Reference: 36

Skill: General Concept

71) If a firm pursues a(n) \_\_\_\_\_ strategy, it must be good at engineering, purchasing, manufacturing, and physical distribution.

- a. domestic customer relationship
- b. market share
- c. overall cost leadership
- d. focus
- e. differentiation

Answer: c

Diff: 2

Type: MC

Page Reference: 48

Skill: General Concept

72) Tim Hortons has become a major Canadian cultural icon and business success due to a well-planned and carefully executed marketing strategy. In its annual planning process, once Tim Hortons establishes its business mission, conducts a SWOT analysis, and goes

through a goal formulation process, it is ready to go through a step called \_\_\_\_\_ to continue with a strategic-planning process.

- a. implementation
- b. functional analysis
- c. program formulation
- d. strategy formulation
- e. feedback and control

Answer: d

Diff: 2

Type: MC

Page Reference: 45

Skill: Application

Hint 1: Figure 2.3

73) The Aeroplan rewards program promotes the products and services of its partners, including Fairmont hotels, Avis car rental, etc. The best description of this form of alliance would a \_\_\_\_\_ alliance.

- a. logistics alliance
- b. service
- c. promotional
- d. pricing collaboration
- e. product alliance

Answer: c

Diff: 2

Type: MC

Page Reference: 50

Skill: Application

74) When a business gets to know market segments intimately and pursues either cost leadership or differentiation within the target segment it is referred to as a

- a. customer-focused strategy.
- b. defined strategy.
- c. focused strategy.
- d. competitive advantage strategy.

e. value-added strategy.

Answer: c

Diff: 3

Type: MC

Page Reference: 49

Skill: General Concept

75) To keep their strategic alliances thriving, corporations have begun to develop organizational structures to support them and have come to view the ability to form and manage partnerships as core skills. This is called

- a. synergistic partnership.
- b. win-win relationship management.
- c. value managed partnership.
- d. partner relationship management.
- e. centralized partnership.

Answer: d

Diff: 3

Type: MC

Page Reference: 50

Skill: General Concept

76) According to McKinsey & Company, strategy is only one of seven elements in successful business practice. The first three elements are considered the "hardware" of success, and include

- a. skills.
- b. systems.
- c. shared values.
- d. staff.
- e. style.

Answer: b

Diff: 1

Type: MC

Page Reference: 51

Skill: General Concept

77) A \_\_\_\_\_ is a written document that summarizes what the marketer has learned about the marketplace and indicates how the firm plans to reach its marketing objectives.

- a. strategic plan
- b. sales plan
- c. target market plan
- d. marketing plan
- e. competitive analysis plan

Answer: d

Diff: 1

Type: MC

Page Reference: 51

Skill: General Concept

78) Which of the following permits senior management to grasp the marketing plan's major thrust?

- a. marketing strategy
- b. executive summary and table of contents
- c. implementation and controls
- d. financial projections
- e. situation analysis

Answer: b

Diff: 2

Type: MC

Page Reference: 52

Skill: General Concept

79) Most marketing plans cover

- a. one year.
- b. five years.
- c. three years.
- d. four years.
- e. two years.

Answer: a

Diff: 1

Type: MC

Page Reference: 37/53

Skill: General Concept

80) The most frequently cited shortcomings of current marketing plans, according to marketing executives, are lack of realism, insufficient competitive analysis, and a \_\_\_\_\_ focus.

- a. profit
- b. long-term
- c. price
- d. short-run
- e. product

Answer: d

Diff: 1

Type: MC

Page Reference: 52

Skill: General Concept

81) The traditional view of marketing is that the firm makes something and then sells it.

- a. True

Correct: *Correct*

- b. False

Incorrect: *Incorrect*

Answer: a

Diff: 1

Type: TF

Page Reference: 32

Skill: General Concept

82) After an organization fails to respond to a changed environment, recapturing its lost position is not difficult.

- a. True

Incorrect: *Incorrect*

- b. False

Correct: *Correct*

Answer: b

Diff: 3

Type: TF

Page Reference: 51

Skill: General Concept

83) The formula "segmentation, targeting, and positioning" is the essence of strategic marketing.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 32

Skill: General Concept

84) A company might remain efficient while it loses effectiveness.

a. True

Correct: *Incorrect*

b. False

Incorrect: *Correct*

Answer: a

Diff: 2

Type: TF

Page Reference: 51

Skill: General Concept

85) The customer relationship management process is all the activities involved in receiving and approving orders, shipping the goods on time, and collecting payment.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 3

Type: TF

Page Reference: 33

Skill: General Concept

86) A principle of the value chain is that every firm is a synthesis of activities performed to design, produce, market, deliver, and support its product.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 1

Type: TF

Page Reference: 32

Skill: General Concept

87) Another name for a company's value delivery network is "the intermediary team."

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 33

Skill: General Concept

88) A core competency is usually common among competitors in a given industry.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 34

Skill: General Concept

89) Holistic marketing focuses on the integration of value exploration, value creation, and value delivery as a means to build long-term relationships with consumers.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 35

Skill: General Concept

90) If a manager asks "How can my company identify new value opportunities?," he or she is examining a management question identified as being value creation.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 3

Type: TF

Page Reference: 35

Skill: General Concept

91) Master marketers focus on the customer and are organized to respond effectively to changing customer needs.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 36

Skill: General Concept

92) The marketing plan is the central instrument for directing and coordinating the marketing effort.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 1

Type: TF

Page Reference: 36

Skill: General Concept

93) A mission statement has as its primary focus the product and how to make it.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 37

Skill: General Concept

94) One of the characteristics of a good mission statement is that it has an expansive number of goals for doing business.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 37

Skill: General Concept

95) A good illustration of a market definition of the business a company is in would be "We sell gasoline."

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 39

Skill: General Concept

96) If a company sought to expand the number of existing products sold to its current markets, it would use an integrative growth strategy labeled as "market-penetration strategy."

a. True

Incorrect: *Correct*

b. False

Correct: *Incorrect*

Answer: b

Diff: 3

Type: TF

Page Reference: 41

Topic: Intensive growth, not integrative growth

Skill: General Concept

97) If a company sought to grow via a strategy that required the company to seek new businesses that have no relationship to its current technology, products, or markets, the company would be using a diversification strategy called a *conglomerate strategy*.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 42

Skill: General Concept

98) Sometimes corporate culture develops organically and is transmitted directly from the CEO's personality and habits to company employees.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 42

Skill: General Concept

99) Once an organization has established a business mission in its business unit strategic-planning process, it may proceed to the second step of the planning process called *goal formulation*.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 45

Topic: SWOT analysis

Skill: General Concept

100) Good illustrations of *microenvironment actors* in the strategic planning process would be demographics, technology, and the social-cultural arena.

a. True

Incorrect: *Incorrect*

b. False  
Correct: *Correct*

Answer: b  
Diff: 3

Type: TF  
Page Reference: 45

Skill: General Concept

101) To evaluate opportunities, companies can use Market Opportunity Analysis (MOA) to determine the attractiveness and probability of success.

a. True  
Correct: *Correct*

b. False  
Incorrect: *Incorrect*

Answer: a  
Diff: 1

Type: TF  
Page Reference: 46

Skill: General Concept

102) An environmental threat is a challenge posed by an unfavourable trend or development that would lead, in the absence of defensive marketing action, to lower sales or profit.

a. True  
Correct: *Correct*

b. False  
Incorrect: *Incorrect*

Answer: a  
Diff: 2

Type: TF  
Page Reference: 46

Skill: General Concept

103) Once a SWOT analysis has been completed, the strategic planner is ready to proceed to the goal formulation stage of the strategic planning process model.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 45

Skill: General Concept

104) In applying MBO (management by objectives) all objectives are treated as being equally important.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 47

Skill: General Concept

105) For an MBO (management by objectives) system to work, one of the four criteria that the unit's objectives must meet is that objectives must be stated quantitatively whenever possible.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 47

Skill: General Concept

106) A strategy is a game plan for achieving what the business unit wants to achieve.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 1

Type: TF

Page Reference: 47

Skill: General Concept

107) Firms choosing a generic strategy centring on *focus* must be good at engineering, purchasing, manufacturing, and physical distribution.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 3

Type: TF

Page Reference: 48

Skill: General Concept

108) One of the four major categories of strategic alliance involves sharing personnel (e.g., human resource alliance) to staff alliance member marketing departments.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 50

Skill: General Concept

109) Partner Relationship Management (PRM) can be thought of as a corporation's development of structures that support strategic alliances and treats the formation and management of partnerships as a core skill.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 50

Skill: General Concept

110) Peter Drucker pointed out that it is more important “to do things right” (efficiency) than to “do the right thing” (effectiveness).

a. True

Incorrect: *Correct*

b. False

Correct: *Incorrect*

Answer: b

Diff: 2

Type: TF

Page Reference: 51

Skill: General Concept

111) A business’s sales and profits may be increased through backward, forward, or vertical integration within its industry.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 3

Type: TF

Page Reference: 41

Skill: General Concept

112) Marketing plans are becoming more production-oriented because of the high costs of doing business in today's economy.

a. True  
Incorrect: *Incorrect*

b. False  
Correct: *Correct*

Answer: b  
Diff: 2

Type: TF  
Page Reference: 51

Skill: General Concept

113) The marketing plan should open with a situation analysis.

a. True  
Incorrect: *Incorrect*

b. False  
Correct: *Correct*

Answer: b  
Diff: 1

Type: TF  
Page Reference: 52

Skill: General Concept

114) When a manager reaches the marketing strategy section of a marketing plan, he or she will define the mission and marketing and financial objectives.

a. True  
Correct: *Correct*

b. False  
Incorrect: *Incorrect*

Answer: a  
Diff: 2

Type: TF  
Page Reference: 52

Skill: General Concept

115) To guide implementation effectively, every part of the plan must be described in considerable detail.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 2

Type: TF

Page Reference: 51

Skill: General Concept

116) Such areas as sales forecasts, expense forecasts, and break even analysis are usually found in the financial projections section of the marketing plan.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 1

Type: TF

Page Reference: 52

Skill: General Concept

117) Gary Hamel confirms the view that imaginative ideas on strategy exist mainly within senior management.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 43

Skill: General Concept

118) Most marketing plans conclude with a section that indicates how the plan will be implemented.

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 1

Type: TF

Page Reference: 52

Skill: General Concept

119) During the marketing strategy section of the marketing plan, goals and budgets are spelled out for each month or quarter so management can review each period's results and take corrective action as needed.

a. True

Incorrect: *Incorrect*

b. False

Correct: *Correct*

Answer: b

Diff: 2

Type: TF

Page Reference: 52

Skill: General Concept

120) A good illustration of a marketing objective would to "decrease customer acquisition costs by 1.5 percent per quarter."

a. True

Correct: *Correct*

b. False

Incorrect: *Incorrect*

Answer: a

Diff: 1

Type: TF

Page Reference: 47

Skill: General Concept

121) What four corporate and division strategic planning activities all corporate headquarters must undertake?

Answer:

(1) Defining the corporate mission, (2) establishing strategic business units (3) Assigning resources to each SBU, and (4) assessing growth opportunities.

Diff: 2

Type: ES

Page Reference: 36

Skill: Application

122) Instead of emphasizing making and selling, companies now see themselves as part of a value-delivery process. What are the three phases?

Answer:

The first phase, choosing the value, represents the "homework" marketing must do before any product exists. The second phase, providing the value, is where product features, prices, and distribution are selected. The third phase, communicating the value, utilizes the sales force, sales promotion, advertising, and other communication tools to announce and promote the product.

Diff: 2

Type: ES

Page Reference: 32

Skill: Application

123) Explain how the value chain is used as a tool by a marketer such as Canadian Tire.

Answer:

A value chain is a tool for identifying ways to create more customer value. According to this model, every firm is a synthesis of activities performed to produce, market, deliver, and support its product. Students should be able to use examples to distinguish between primary activities and support activities in the generic value chain.

Diff: 1

Type: ES

Page Reference: 32

Skill: Application

124) If an organization was very strong at defining target markets and prospecting for new customers, which of the core business processes would this organization have mastered?

Answer:

The core business process of customer acquisition.

Diff: 2

Type: ES

Page Reference: 33

Skill: Application

125) In the central role of strategic planning, only a handful of companies stand out as master marketers—Procter & Gamble, WestJet Airlines, Nike, Disney, Walmart, and McDonald's to name a few. From a consumer's perspective why do you think they stand out? Explain.

Answer:

Students should explain that these companies focus on the customer and are organized to respond effectively to changing customer needs. They all have well-staffed marketing departments, and all their other departments—manufacturing, finance, research and development, personnel, purchasing—also accept the concept that the customer is king.

Diff: 2

Type: ES

Page Reference: 36

Skill: Application

126) Identify the elements of a tactical marketing plan for a new kind of cola.

Answer:

The tactical marketing plan specifies the marketing tactics, including product features, promotion, merchandising, pricing, sales channels, and service. For a new kind of cola, the tactical marketing plan might include the packaging size and shape, the flavour, the kinds of advertising used (print, television, buzz marketing), how to price the new cola relative to other colas currently on the market, and where to sell the new cola (grocery stores, gas stations, vending machines, sandwich shops).

Diff: 3

Type: ES

Page Reference: 36

Skill: Application

127) In the central role of strategic planning, only a handful of companies stand out as master marketers Molson, Tim Hortons, Bombardier, WestJet Airlines, Walmart, and McDonald's to name a few. From a consumers perspective why do you think they stand out? Explain.

Answer:

Students should explain that these companies focus on the customer and are organized to respond effectively to changing customer needs. They all have well-staffed marketing departments, and all their other departments—manufacturing, finance, research and development, personnel, purchasing—also accept the concept that the customer is king.

Diff: 2

Type: ES

Page Reference: 36

Skill: Application

128) Cara Operations Limited give their business units (including Swiss Chalet, Second Cup, and Harvey's) some flexibility in setting their own sales and profit goals and strategies. Like all corporate headquarters they must undertake what four planning activities?

Answer:

The activities are (1) defining the corporate mission, (2) establishing strategic business units, (3) assigning resources to each SBU, and (4) assessing growth opportunities.

Diff: 3

Type: ES

Page Reference: 36

Skill: Application

129) Explain what happens in a SWOT analysis during the strategic planning process.

Answer:

Several competitive spheres are mentioned in the chapter (e.g., industry, products and applications, competence, market segment, vertical, and geographical). The sphere most appropriate in both cases is market segment.

Diff: 3

Type: ES

Page Reference: 45

Skill: Application

130) What questions would typically be asked during a market opportunity analysis (MOA)?

Answer:

Questions would typically be: (1) Can the benefits involved in the opportunity be articulated convincingly to a defined target market(s)? (2) Can the target market(s) be located and reached with cost-effective media and trade channels? (3) Does the company possess or have access to the critical capabilities and resources needed to deliver the customer benefits? (4) Can the company deliver the benefits better than any actual or potential competitors? and (5) Will the financial rate of return meet or exceed the company's required threshold for investment?

Diff: 2

Type: ES

Page Reference: 46

Skill: Application

131) If a company, like Weston Foods decides to acquire one of its suppliers, such as Ace Bakery, in order to gain more control or generate profit, it would have chosen which form of integrative growth strategy?

Answer:

The company would have selected a backward integration strategy.

Diff: 2

Type: ES

Page Reference: 42

Skill: Application

132) When Yahoo! began to flounder in the 2001, CEO Terry Semel imposed a more conservative, buttoned-down atmosphere on the freewheeling Internet startup. At the new Yahoo!, spontaneity is out and order is in. What term is most closely applied to the organizational change phenomenon described above? Be sure to explain what the term means with respect to the example provided.

Answer:

The correct term would be *corporate* or *organizational culture*. Corporate culture has been defined as "the shared experiences, stories, beliefs, and norms that characterize an organization."

Diff: 2

Type: ES

Page Reference: 42

Skill: Application

133) For an MBO system (manage by objectives) to work, the business unit attempting to implement the process must meet four criteria. What are those criteria?

Answer:

The criteria are: (1) they must be arranged hierarchically, from the most to the least important; (2) objectives should be stated quantitatively whenever possible; (3) goals must be realistic; and (4) objectives must be consistent.

Diff: 2

Type: ES

Page Reference: 47

Skill: Application

134) Natalie Plante has been asked to conduct the SWOT analysis for her business unit. Exactly what will Natalie be evaluating?

Answer:

The overall evaluation of a company's strengths, weaknesses, opportunities, and threats is called SWOT analysis. A business unit has to monitor key external and internal environments by examining key macroeconomic forces and microeconomic and actors that affect its ability to earn profits. See chapter for additional details on the SWOT analysis format.

Diff: 2

Type: ES

Page Reference: 45

Skill: Application

135) The marketing team at Alliance Atlantis has been asked to perform an MOA. What questions should they ask as part of this market opportunity analysis?

Answer:

Questions would typically be: (1) Can the benefits involved in the opportunity be articulated convincingly to a defined target market(s)? (2) Can the target market(s) be located and reached with cost-effective media and trade channels? (3) Does the company possess or have access to the critical capabilities and resources needed to deliver the customer benefits? (4) Can the company deliver the benefits better than any actual or potential competitors? And (5) Will the financial rate of return meet or exceed the company's required threshold for investment?

Diff: 3

Type: ES

Page Reference: 46

Skill: Application

136) Pierre Lefebvre has been asked to examine why his firm's MBO system failed to work as planned. What four criteria will Mr. Lefebvre examine in his business unit's objectives?

Answer:

The criteria are (1) they must be arranged hierarchically, from the most to the least important, (2) objectives should be stated quantitatively whenever possible, (3) goals must be realistic, and (4) objectives must be consistent.

Diff: 3

Type: ES

Page Reference: 47

Skill: Application

137) Which of Michael Porter's generic strategies would be most appropriate for an organization that concentrates on achieving superior performance in an important customer benefit area valued by a large part of the market? Quality leadership would be one example of the end result of such a strategy.

Answer:

The strategy that would be most appropriate would be that of differentiation.

Diff: 2

Type: ES

Page Reference: 49

Skill: Application

138) When H&R Block and Hyatt Legal Services combined their efforts (two service businesses), they also joined marketing forces to create a strong alliance. Which of the alliance forms cited in the text most closely matches the H&R Block and Hyatt Legal Services alliance? Explain.

Answer:

This alliance is called a *product* or *service alliance* where one company licenses another to produce its product, or two companies jointly market their complementary products, or a new product.

Diff: 2

Type: ES

Page Reference: 50

Skill: Application

139) Melissa Lee-Wen has been tasked with developing a marketing plan. Explain what this document is and how it is used.

Answer:

A marketing plan is a written document that summarizes what the marketer has learned about the marketplace and indicates how the firm plans to reach its marketing objectives. It contains tactical guidelines for the marketing programs and financial allocations over the planning period.

Diff: 1

Type: ES

Page Reference: 51

Skill: Application

140) Naturalizer Shoes wishes to reposition their shoes to a younger audience. During which stage of the marketing plan will their marketing manager establish the product line's positioning?

Answer:

The stage where product line positioning will be addressed is the marketing strategy stage. This establishment of competitive positioning will inform the "game plan" to accomplish the plan's objectives.

Diff: 2

Type: ES

Page Reference: 52

Skill: Application

141) There are two views of the value delivery process that may be followed by organizations seeking to gain business from consumers. Briefly, summarize each of those views.

Answer:

The traditional view of marketing is that the firm makes something and then sells it. In this view, marketing takes place in the second half of this process. Companies that subscribe to this view have the best chance of succeeding in economies marked by goods shortages where consumers are not fussy about the quality, features, or style. If abundant choices are present, this view does not work well. The smart competitor must design and deliver offerings for well-defined target markets. This realization inspired a new view of business processes that place marketing at the beginning of planning. Instead of emphasizing making and selling, companies now see themselves as part of a value-delivery process.

Diff: 2

Type: ES

Page Reference: 32

Skill: General Concept

142) The firm's success depends not only on how well each department performs its work, but also on how well the various departmental activities are coordinated to conduct core business processes. List and briefly describe the five core business processes outlined in the text.

Answer:

The core business processes include (1) the market sensing process—all the activities involved in gathering market intelligence, disseminating it within the organization, and acting on the information; (2) the new offering realization process—all the activities involved in researching, developing, and launching new high-quality offerings quickly and within budget; (3) the customer acquisition process—all the activities involved in defining target markets and prospecting for new customers; (4) the customer relationship management process—all the activities involved in building deeper understanding, relationships, and offerings to individual customers, and (5) the fulfillment management process—all the activities involved in receiving and approving orders, shipping the goods on time, and collecting payment.

Diff: 3

Type: ES

Page Reference: 33

Skill: General Concept

143) A successful company nurtures its resources and competencies. A core competency has three characteristics. Describe those characteristics and relate them to the Hospital for Sick Children, located in Toronto.

Answer:

Core competency characteristics are: (1) it is a source of competitive advantage in that it makes a significant contribution to perceived customer benefits; (2) it has applications in a wide variety of markets; and, (3) it is difficult for competitors to imitate. Sick Kids has an incredible reputation based upon a set of unique and distinct capabilities. Students can refer to the capabilities described in the Hospital for Sick Children case in this chapter.

Diff: 2

Type: ES

Page Reference: 34

Skill: General Concept

144) A holistic marketing orientation can provide insight into the process of capturing customer value. In this vein, the holistic marketing framework is designed to address three key management questions. Describe and illustrate each of these key management questions.

Answer:

The three management questions are: (1) value exploration—how can a company identify new value opportunities? (2) value creation—how can a company efficiently create more promising new value offerings? and (3) value delivery—how can a company use its capabilities and infrastructure to deliver the new value offerings more efficiently?

Diff: 3

Type: ES

Page Reference: 35

Skill: General Concept

145) When two service businesses, H&R Block and Hyatt Legal Services, combined their efforts, they also joined marketing forces to create a strong alliance. This would classify as which type of strategic alliance? Explain your answer.

Answer:

This alliance is called a *product or service alliance* where one company licenses another to produce its product, or two companies jointly market their complementary products or a new product.

Diff: 3

Type: ES

Page Reference: 50

Skill: General Concept

146) Explain the differences between the following terms: *marketing plan*, *strategic marketing plan*, and *tactical marketing plan*.

Answer:

The marketing plan is the central instrument for directing and coordinating the marketing effort. The marketing plan operates at two levels: strategic and tactical. The strategic marketing plan lays out the target markets and the value proposition that will be offered, based on an analysis of the best market opportunities. The tactical marketing plan specifies the marketing tactics, including product features, promotion, merchandising, pricing sales, channels, and service.

Diff: 2

Type: ES

Page Reference: 36

Skill: General Concept

147) Good mission statements are essential to being a success in business. Describe the five major characteristics that good mission statements should have.

Answer:

Major characteristics include: (1) they focus on a limited number of goals; (2) mission statements stress the company's major policies and values; (3) they define the major competitive spheres within which the company will operate (e.g., industry, products and applications, competence, market segment, vertical, and geographical); (4) they take a long-term view; and (5) they are as short, memorable, and meaningful as possible.

Diff: 1

Type: ES

Page Reference: 37

Skill: General Concept

148) Assessing growth opportunities involves planning new businesses, downsizing, or terminating older businesses. The company's plans for existing businesses allow it to project total sales and profits. If there is a gap between future desired sales and projected

sales, corporate management will have to develop or acquire new businesses to fill it. Identify and describe the three strategies that can be used to fill the strategic gap.

Answer:

The first option is to identify opportunities to achieve further growth with current businesses (intensive growth opportunities). The second is to identify opportunities to build or acquire businesses that are related to current businesses that are unrelated to current businesses (integrative growth opportunities). The third is to identify opportunities to add attractive businesses that are unrelated to current businesses (diversification growth opportunities).

Diff: 3

Type: ES

Page Reference: 40

Skill: General Concept

149) Assume that you are directed to prepare short brief explaining the steps of the Business Unit Strategic-Planning Process. Your task is to construct such a brief by carefully outlining the steps of the aforementioned process.

Answer:

Refer to Figure 2.3 in the chapter for assistance. Students should be able to describe (in order) the business mission, SWOT analysis, goal formulation, strategy formulation, program formulation, implementation, and feedback and control. The descriptions do not need to be long; however, they do need to be consistent with the text material. Answers will vary but consistency should be a learning goal.

Diff: 3

Type: ES

Page Reference: 45

Skill: General Concept

150) As a marketing manager for a large steel company you have been assigned the task of educating a group of new managers on how to prepare a marketing plan. Though few of these managers will actually ever have to prepare such a plan because of their functional roles in the organization, it is still very useful that each new manager know how to construct a marketing plan. Prepare a brief summary of the contents of the marketing plan for the new managers. You may keep your discussion general or make it specific to the steel industry.

Answer:

The contents of a marketing plan include (1) an executive summary and table of contents, (2) a situation analysis, (3) marketing strategy, (4) financial projections, and (5) implementation controls. Descriptions of the content steps may vary but should be in keeping with the general outline of this section of the chapter. See text material for further information.

Diff: 3

Type: ES

Page Reference: 52

Skill: General Concept