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## MARKETING

### Overview

This event provides recognition for FBLA members who possess knowledge of the basic principles of marketing.

This event consists of two parts: an objective test and a role play. If competing as a team, the objective test is taken collaboratively by the team. The top fifteen individuals/teams scoring the highest on the objective test will advance to the final round and participate in the role play component. A marketing role-play scenario will be proposed.

### Competencies and Task Lists

<http://www.fbla-pbl.org/competitive-event/marketing/>

### Website Resources

- American Marketing Association  
<http://www.marketingpower.com/>
- Marketing  
<http://www.quickmba.com/marketing/>
- Business 102: Principles of Marketing - Practice Test.  
[www.study.com](http://www.study.com)
- Principles of Marketing Pretest - ProProfs Quiz  
<https://www.proprofs.com/>
- Marketing Glossary  
[https://www.tutor2u.net/business/marketing/marketing\\_glossary.pdf](https://www.tutor2u.net/business/marketing/marketing_glossary.pdf)

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## MARKETING SAMPLE QUESTIONS

- 1) Which of the following would be the best example of a market-oriented company?
  - A) Business-to-business
  - B) Cell phone companies
  - C) Door-to-door sales
  - D) Car dealers

**Competency:** Basic Marketing Functions

- 2) The main goal of marketing is:
  - A) creating and maintaining satisfying relationships
  - B) earning the greatest profit possible
  - C) giving consumers more product choices
  - D) creating a competitive business environment

**Competency:** Basic Marketing Functions

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3) Nike offers products in footwear, apparel, and equipment. This is called Nike's

- A) product item
- B) product strategy
- C) product mix
- D) product line

**Competency:** Basic Marketing Functions

4) A method for a growing business to diversify risk and capitalize on its established reputation is to use a(n) \_\_\_\_\_ strategy

- A) product line extension
- B) elasticity
- C) logistics
- D) marketing mix

**Competency:** Basic Marketing Functions

5) For what is a trademark designed?

- A) Distinguish a company's goods and services from another.
- B) To keep exclusive rights to the company.
- C) To protect a company from competition for a limited time.
- D) To keep safe information that is not in the public domain.

**Competency:** Basic Marketing Functions

6) A name, symbol, word, or design that identifies a product, service, or company.

- A) copyright
- B) licensed brand
- C) brand
- D) trademark

**Competency:** Basic Marketing Functions

7) The exclusive right to the production or sale of literary, musical, or other artistic work, or to the use of a print or label is called a(n):

- A) copyright
- B) equity
- C) trade name
- D) brand

**Competency:** Basic Marketing Functions

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- 8) Internet sales would enable much more widespread \_\_\_\_\_ distribution.
- A) Indirect
  - B) System
  - C) Direct
  - D) Supply

**Competency:** Channels of Distribution

- 9) The most flexible of the major transportation methods for distributing goods is:
- A) ship/water
  - B) trail/rail
  - C) trucks/road
  - D) planes/air

**Competency:** Channels of Distribution

- 10) When is it best for a business to use an exclusive distribution pattern?
- A) it prefers to have its intermediaries promote the product
  - B) it wants the product to be available in all possible locations
  - C) it needs to maintain tight control over a product
  - D) it chooses to eliminate intermediaries

**Competency:** Channels of Distribution

- 11) According to the American Marketing Association code of ethics, the following are all expectations of marketers in the area of promotion **except**:
- A) not using coercion in the marketing channel
  - B) rejection of high-pressure manipulations, or misleading sales tactics
  - C) avoidance of sales promotions that use deception or manipulation
  - D) avoidance of false and misleading advertising

**Competency:** Legal, Ethical, and Social Aspects of Marketing

- 12) What agency is responsible for protecting the public from unreasonable risks of injury that could occur during the use of a product?
- A) Environmental Protection Agency
  - B) Consumer Product Safety Commission
  - C) S. Department of Transportation
  - D) S. Food and Drug Administration

**Competency:** Legal, Ethical, and Social Aspects of Marketing

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- 13) Which of the following differentiates advertising from other types of promotion?
- A) Advertising is to remind customers of a product.
  - B) Advertising is any form of communication about an organization's products.
  - C) Advertising attempts to persuade action on the part of consumers.
  - D) Advertising is paid.

**Competency:** Promotion and Advertising Media

- 14) What advertising media reaches large audiences, has a low cost per viewer, but high total cost, can reach highly segmented markets, but also has a strong potential for interference?
- A) Newspapers
  - B) Radio
  - C) Television
  - D) Magazines

**Competency:** Promotion and Advertising Media

- 15) What promotional element is characterized by its flexibility and effectiveness in achieving short-term sales increases?
- A) television advertising
  - B) coupons
  - C) public relations
  - D) direct marketing

**Competency:** Promotion and Advertising Media

- 16) Surveys, focus groups and interviews are methods of what?
- A) Experiments
  - B) Market research
  - C) Observations
  - D) Proposing solutions

**Competency:** Marketing Information, Research, and Planning

- 17) What is a planned set of questions to which people can respond?
- A) Survey
  - B) Observation
  - C) Interview
  - D) Focus group

**Competency:** Marketing Information, Research, and Planning

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- 18) All the people in the group a company is interested in studying are known as the:
- A) random sample
  - B) population
  - C) focus group
  - D) sample

**Competency:** Marketing Information, Research, and Planning

- 19) Which of the following would effective marketers use to take full advantage of ecommerce?
- A) Avoid advertising on social media because of the image it portrays.
  - B) Having a site that is optimized for mobile shopping.
  - C) Showing products online, but requiring in-store purchases.

**Competency:** E-Commerce

- 20) Internet advertisements are measured in:
- A) pixels
  - B) centimeters
  - C) millimeters
  - D) inches

**Competency:** E-Commerce

- 21) Competition is decreased when several companies control the entire market for a given product. This is an example of:
- A) an oligopoly
  - B) pure competition
  - C) a monopoly
  - D) a command system

**Competency:** Economics

- 22) What determines what will be produced and sold in a free enterprise system?
- A) Taxes
  - B) Government regulation
  - C) Landowners
  - D) Consumer spending

**Competency:** Economics

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- 23) What are economic resources?  
A) Land, oil, water, air  
B) Land, capital, free enterprise  
C) Free enterprise, profit motive, voluntary exchange  
D) Natural resources, capital, equipment, labor

**Competency:** Economics

- 24) What is a social and economic system characterized by social ownership of the means of production and cooperative management of the economy?  
A) Socialism  
B) Free enterprise  
C) Communism  
D) Capitalism

**Competency:** Economics

- 25) How the economy responds to different economic conditions is called:  
A) elasticity  
B) demand  
C) scarcity  
D) feedback

**Competency:** Economics

- 26) A selling situation in which several sales associates or other members of the organization are employed to help the lead sales representative reach all those who influence the purchase decision is known as:  
A) network marketing  
B) cross-selling  
C) team selling  
D) inside selling

**Competency:** Selling and Merchandising

- 27) What are reasons purchases are made based on feelings or beliefs?  
A) Rational motives  
B) Business motives  
C) Patronage motives  
D) Emotional motives

**Competency:** Selling and Merchandising

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- 28) An important reason to utilize a sales person as part of the company marketing mix is:
- A) build relationships with customers
  - B) improve product quality
  - C) increase the work force
  - D) reduce marketing department budgets

**Competency:** Selling and Merchandising

- 29) Which of the following would be a good way to handle a customer complaint?
- A) Transfer to someone else
  - B) Passive-aggressively
  - C) Resolve quickly
  - D) Take it personally

**Competency:** Selling and Merchandising

- 30) What is a type of guarantee that a manufacturer makes regarding the condition of a product?
- A) Technical support
  - B) Product warranty
  - C) Service extension
  - D) Service contract

**Competency:** Selling and Merchandising

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## MARKETING SAMPLE CASE STUDY

### PARTICIPANT INSTRUCTIONS

1. You have 20 minutes to review the case.
2. Presentation time is seven minutes. At six minutes, the timekeeper will stand and hold up a colored card indicating one minute is left, and at seven minutes the timekeeper will stand and hold up a colored card indicating time is up.
3. You are proposing to start a new pizza restaurant in a joint venture with the owners of a highly successful local restaurant. They have asked you to present a marketing plan so they will have a comfort level you will be able to generate enough sales for the new location to be profitable. The presentation is interactive with the judges who will ask questions throughout the presentation. The judges will play the role of the owners of the restaurant who are interested in your plans to market the new restaurant local.
4. Each team member will be given two note cards.
5. Cover all the points described in the case and be prepared to answer questions posed by the judges.
6. All team members must participate in the presentation as well as answer the questions.

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## PERFORMANCE INDICATORS

- Explain the components of a marketing plan
- Describe the strengths of various promotional tools
- Identify marketing time lines necessary to support the new store opening
- Describe how buzz marketing is beneficial to a small, locally owned business

## CASE STUDY SITUATION

During high school and college, you have worked for My Home Pizza, a very popular local pizza restaurant. The restaurant is over 50 years old and the quality of their pizza and service has allowed My Home Pizza to successfully compete with the chain restaurants. You have noticed as the city has grown including the local university, there is a need for a second location for My Home Pizza. You also believe it is important to start offering delivery which the original restaurant doesn't provide. The owners, though, are near retirement age and are not interested in opening a second restaurant. Sparked by the entrepreneurial spirit, you decide to propose to the current owners a joint venture where you will open a second location near the university. The new restaurant will use the same menu as the original restaurant as well as offering delivery to the immediate area including the university. The owners of My Home Pizza are quite comfortable that you can manage a new location but they have reservations about generating sufficient sales to make this location profitable. The key point in convincing the owners of My Home Pizza to enter this joint venture is providing them with a comprehensive marketing plan for the new restaurant. If your marketing plan is acceptable to the owners, you feel quite confident that an agreement can be reached to open the second restaurant.

One of the most important aspects to the success of growing a new business is marketing. Entrepreneurs must not only provide a product or service that consumers are willing to purchase but they must be able to effectively communicate their competitive advantage through a thorough marketing plan. You must develop a comprehensive marketing plan to present to the owners of My Home Pizza that will identify specific promotional tools including advertising, social media, etc. to use in promoting the new location. The owners will not only expect to see all the methods you will use to promote the business but an implementation schedule that will be used prior to actually opening the restaurant.

## THINGS TO CONSIDER

- The methods used to communicate the new location
- The strengths of various promotional tools
- Strategies to be utilized to capture the delivery needs of the students attending the local university
- The timing of advertising and of other forms of promotions
- Grand opening events
- Promotional plans to implement after second location has opened
- The utilization of buzz marketing.



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**Marketing Answer Key**

- |       |       |       |
|-------|-------|-------|
| 1) B  | 11) A | 22) D |
| 2) A  | 12) B | 23) D |
| 3) C  | 13) D | 24) A |
| 4) A  | 14) C | 25) A |
| 5) A  | 15) B | 26) C |
| 6) C  | 16) B | 27) D |
| 7) A  | 17) A | 28) A |
| 8) C  | 18) B | 29) C |
| 9) C  | 19) B | 30) B |
| 10) C | 20) A |       |
|       | 21) A |       |

**Network Design Answer Key**

- |       |       |       |
|-------|-------|-------|
| 1) D  | 11) B | 22) C |
| 2) A  | 12) D | 23) B |
| 3) A  | 13) A | 24) A |
| 4) B  | 14) D | 25) A |
| 5) C  | 15) C | 26) C |
| 6) D  | 16) C | 27) C |
| 7) A  | 17) A | 28) A |
| 8) C  | 18) C | 29) C |
| 9) C  | 19) C | 30) A |
| 10) B | 20) B |       |
|       | 21) B |       |

**Networking Concepts Answer Key**

- |       |       |       |
|-------|-------|-------|
| 1) C  | 11) A | 22) A |
| 2) A  | 12) B | 23) B |
| 3) A  | 13) C | 24) B |
| 4) A  | 14) B | 25) C |
| 5) C  | 15) A | 26) A |
| 6) A  | 16) D | 27) B |
| 7) D  | 17) A | 28) D |
| 8) A  | 18) A | 29) D |
| 9) B  | 19) C | 30) C |
| 10) B | 20) C |       |
|       | 21) A |       |

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## MARKETING

### Overview

This event provides recognition for FBLA members who possess knowledge of the basic principles of marketing.

This is a team event composed of two or three members. This event consists of two parts: an objective test and a performance. The objective test is taken collaboratively by the team members, and the top fifteen teams scoring the highest on the objective test will advance to the final round and participate in the performance component.

### Competencies and Task Lists

<http://www.fbla-pbl.org/docs/ct/FBLA/MARKETING.pdf>

### Website Resources

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## MARKETING SAMPLE QUESTIONS

1. The CEO of a production-oriented company would consider \_\_\_\_\_ a benefit to the company.
- coordination between marketing and engineers
  - emphasis on quality and safety
  - carefully designed product ranges to suit customer preferences
  - driven by understanding market forces

**Competency:** Basic Marketing Functions

2. Consumers are most likely to be involved in which business function?
- Accounting
  - Production
  - Marketing
  - Operations

**Competency:** Basic Marketing Functions

3. Which one of the following would include making improvements to existing products?
- marketing-information management
  - market planning
  - product and service management
  - pricing

**Competency:** Basic Marketing Functions

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4. What is provided by each of the elements of the marketing mix?
- Many alternatives to better satisfy a market.
  - Anything provided by the elements of the marketing mix is done so with all of them combined.
  - The marketing mix is one element.
  - A sole contribution to successful marketing.

**Competency:** Basic Marketing Functions

5. Which one of the following would **not** be a role of a marketer in the product development process?
- designing marketing strategies
  - gathering information
  - selling the product
  - conducting marketing tests

**Competency:** Basic Marketing Functions

6. In which type of distribution channel does the producer sell products to the final consumer?
- direct
  - indirect
  - pricing
  - system

**Competency:** Channels of Distribution

7. What would be the most cost effective channel of distribution for a very complex product, developed for a specific target market?
- indirect
  - personal
  - direct
  - product

**Competency:** Channels of Distribution

8. Title and ownership of goods delivered FOB (free on board), belongs to the \_\_\_\_\_ until they reach their destination.
- buyer
  - seller
  - recipient
  - shipper

**Competency:** Channels of Distribution

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9. This type of inventory system tracks the number of items in inventory on a constant basis.
- inventory counting
  - physical
  - cycle count
  - perpetual

**Competency:** Channels of Distribution

10. Cartels and monopolies are regulated by the:
- Robinson Patman Act
  - Sherman Antitrust Act
  - Federal Trade Commission Act
  - Food and Drug Act

**Competency:** Legal, Ethical, and Social Aspects of Marketing

11. A store that uses recycled bags is showing which one of the following?
- social responsibility
  - code of ethics
  - social intelligence
  - profit motive

**Competency:** Legal, Ethical, and Social Aspects of Marketing

12. How does the Food and Drug Administration play a role in the marketing of products?
- They control labeling of products.
  - They regulate the use of electronic contracts.
  - They set safety standards.
  - They protect small business against unfair pricing.

**Competency:** Legal, Ethical, and Social Aspects of Marketing

13. The advertising industry is most concerned with communicating information to whom?
- media representatives
  - clients
  - consumers
  - agents

**Competency:** Promotion and Advertising Media

14. Which one of the following is **true** about advertising?
- unpaid, nonpersonal communication
  - paid, nonpersonal communication
  - paid, personal communication
  - unpaid, personal communication

**Competency:** Promotion and Advertising Media

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15. What is a primary reason that in a free enterprise economic system, a government would regulate the content of promotional activities?

- a. to develop additional tax bases
- b. to protect consumers from deceptive advertising
- c. to facilitate an advertising program
- d. to increase competition

**Competency:** Promotion and Advertising Media

16. The physical elements that merchandisers use to project an image to customers are called:

- a. marquee
- b. visual merchandising
- c. display
- d. storefront

**Competency:** Promotion and Advertising Media

17. What is marketing research **not** used for by companies?

- a. to determine consumer attitudes
- b. to create an advertising budget
- c. to learn about competitive products
- d. to test product features

**Competency:** Marketing Information, Research, and Planning

18. What is a disadvantage of using secondary data in market research?

- a. Projections are always correct.
- b. It is the most expensive type to obtain.
- c. Data available may not be suitable for current problems.
- d. It is easily obtained.

**Competency:** Marketing Information, Research, and Planning

19. How may primary data be obtained?

- a. specialized research method
- b. government sources
- c. experimental method
- d. Internet sources

**Competency:** Marketing Information, Research, and Planning

20. Creating a marketing plan would include:

- a. a profit and loss statement
- b. market research
- c. delivery options
- d. a roadmap for a product entering the market

**Competency:** Marketing Information, Research, and Planning

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21. Which type of business-to-business e-commerce purchases make up the largest percentage of transactions?

- a. purchases of complex products
- b. routine purchases
- c. auction purchases
- d. expensive equipment

**Competency:** E-Commerce

22. \_\_\_\_\_ would be a major consideration when pricing a website.

- a. Web safe colors
- b. Ability to purchase from site
- c. Functionality
- d. Number of links

**Competency:** E-Commerce

23. An example of a marketing strategy that might be used in a recession is:

- a. focusing on the features of a product
- b. using discounting as a marketing tool
- c. larger marketing budgets
- d. marketing messages based on spending

**Competency:** Economics

24. Which characteristic would best be used to describe capital goods?

- a. man-made
- b. intellectual skills
- c. natural resources
- d. physical skills

**Competency:** Economics

25. Factors of production can be intangible. Which one of the following falls into that category?

- a. land and capital
- b. labor and entrepreneurship
- c. land and labor
- d. capital and entrepreneurship

**Competency:** Economics

26. Which one of the following best describes the term selling?

- a. eliminates customer objections
- b. matches customer needs and wants with features and benefits of a product or service
- c. establishes a relationship with a customer
- d. explains uses of a product

**Competency:** Selling and Merchandising

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27. Ethically questionable in selling would include:
- telling a prospective customer a product will be delivered in two weeks when they know it will be four weeks
  - having responses for all objections
  - using partnership selling
  - using suggestive selling

**Competency:** Selling and Merchandising

28. Repeat business for a salesperson is generated by:
- order fulfillment
  - recommending larger quantities
  - suggestive selling
  - service close

**Competency:** Selling and Merchandising

29. A direct close is:
- "Would you like to have this gift wrapped?"
  - "You may return or exchange this as long as you have your receipt."
  - "How would you like to pay for this?"
  - "We offer a two-year warranty on this item."

**Competency:** Selling and Merchandising

30. This organization is charged with protecting the public from unreasonable risks of serious injury or death from consumer products under the agency's jurisdiction.
- Consumer Credit Protection Agency
  - Consumer Product Safety Commission
  - Food and Drug Administration
  - Federal Trade Commission

**Competency:** Selling and Merchandising

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## MARKETING SAMPLE CASE STUDY

### PARTICIPANT INSTRUCTIONS

- You have twenty minutes to review the case.
- Presentation time is seven minutes. At six minutes the timekeeper will stand and hold up a colored card indicating one minute is left and at seven minutes the timekeeper will stand and hold up a colored card indicating time is up.
- The presentation is interactive with the judges who will ask questions throughout the presentation. The judges will play the roles of Super Brand Board of Director members (or judges may change names). You are on the marketing/management team for Super Brand and the board of directors has asked you, as team representation, to describe the public relations campaign for the retail giant.

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4. You will be given two note cards.
  5. Cover all the points described in the case and be prepared to answer questions posed by the judges.

### **PERFORMANCE INDICATORS**

- Explain the nature of effective written communication
- Explain the nature of a promotional plan
- Explain the types of promotion
- Write informational messages.
- Explain the role of promotion as a marketing function

### **CASE STUDY SITUATION**

You are to assume the role of the marketing/management team for a major national retail super store (Super Brand). Each year Super Brand sponsors a major charity to benefit the local community; this annual promotional event costs \$500,000. The Board of Directors for Super Brand has called a meeting to hear your plan for this year's Super Brand charity.

Sales for your retail giant are annually in the billions. The success and size of your company provide fuel for media criticism. Your position requires you to select, organize, and successfully manage a charity event that helps the special cause and gives the company positive public relations. Frequently the events involve the company and customers. Sometimes the store will give a percentage of sales or match contributions given by customers for the specified charity. Last year your company raised \$30 million for tornado victims in the United States.

The board of directors wants to know which charity you have chosen and why. They also want to hear all forms of publicity to kick off and publicize the campaign for the chosen charity. You must present a sample news release for all major newspapers across the United States to inform the public about the positive influence your company has in the community.

### **THINGS TO CONSIDER**

- Analyze the current needs of the community where Super Brand is located
- Understand the importance of a promotional plan
- Create publicity that sheds a favorable light on the organization
- Communicate a public relations project effectively to the community
- Consider the cost and benefit from a PR campaign
- What is the strategy to turn public perception of Super Brand from retail giant to community participant?



**Marketing Answer Key**

1)	B	11)	A	21)	B
2)	C	12)	A	22)	C
3)	C	13)	C	23)	B
4)	A	14)	B	24)	A
5)	C	15)	B	25)	B
6)	A	16)	B	26)	B
7)	C	17)	B	27)	A
8)	B	18)	C	28)	A
9)	D	19)	C	29)	C
10)	B	20)	D	30)	B

**Overview**

This event provides recognition for FBLA members who possess knowledge of the basic principles of marketing.

This event consists of two parts: an objective test and a performance. The objective test is taken and the top ten (10) individuals scoring the highest on the objective test will advance to the final round and participate in the performance component.

**Competencies and Task Lists**

<http://www.fbla-pbl.org/docs/ct/FBLA/MARKETING.pdf>

**Web Site Resources**

- American Marketing Association  
<http://www.marketingpower.com/>
- Marketing  
<http://www.quickmba.com/marketing/>

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**MARKETING SAMPLE QUESTIONS**

1. Which one of the traditional four "P's" of the marketing mix concerns the various outlets and channels a business uses to distribute its products?
  - a. place
  - b. price
  - c. product
  - d. promotion
  
2. Which one of the following would be classified as a "quantitative marketing objective"?
  - a. Increase our market share from 20 percent to 27.5 percent.
  - b. Improve our after-sales service.
  - c. Produce products that are better quality than the competition.
  - d. Monitor competitor prices constantly to ensure we are competitive.
  
3. Which method of distribution is favored by Dell—the leading manufacturer of personal computers?
  - a. agency
  - b. direct selling
  - c. retail
  - d. wholesale
  
4. How do agents, such as those involved in real estate transactions, usually make their money?
  - a. by taking a commission from the sales they generate
  - b. by buying products and selling them for a profit
  - c. by charging government agencies for all the work performed
  - d. by charging fixed fees for every hour worked
  
5. Ready-to-go-Meals, a manufacturer of microwavable dinners, want to know what proportion of customers examines the information on their product labels in a supermarket. What is the best way of obtaining this information?
  - a. focus groups
  - b. observation
  - c. telephone survey
  - d. mail survey

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6. Which one of the following models of ethical management style is devoid of ethical principles?
    - a. remorseful management
    - b. moral management
    - c. immoral management
    - d. amoral management
  7. Which one of the following would be considered an external source of a marketing manager's values?
    - a. her loyalty to the company
    - b. her professional values
    - c. her performance based on company objectives
    - d. the way she conforms to company norms
  8. Over the past 30 years, most countries have:
    - a. come to rely less heavily on international trade and marketing
    - b. become more isolated than in the previous 100 years
    - c. come to export less than 10 percent of the GDP
    - d. come to rely more heavily on international trade and marketing
  9. In lesser-developed nations, American businesspeople are often perceived as arrogant and condescending. If true, this may be the result of:
    - a. cultural reactionism
    - b. ethnocentrism
    - c. geocentrism
    - d. isolationism
  10. Employee dishonesty is one of the risks that businesses experience. Many businesses guarantee protection from losses that result from this kind of risk by:
    - a. purchasing surety bonds
    - b. hiring well-qualified employees
    - c. installing a security system
    - d. screening employees carefully
  11. The quantity of a product consumers are willing and able to purchase at a specific price is known as:
    - a. resources
    - b. demand
    - c. value
    - d. production
  12. The channels of distribution for a service business are:
    - a. expensive for customers
    - b. short
    - c. long
    - d. composed of many individuals
  13. Generally speaking, what is the most effective method of specialized or high-priced consumer goods?
    - a. telemarketing
    - b. wholesaling
    - c. personal selling
    - d. retailing
  14. If a company is found guilty of deceptive advertising, it may have to pay a fine to:
    - a. its target market
    - b. its customers
    - c. its upper management
    - d. the government

- 
15. Often, businesses may decide **not** to enter the international market because:
    - a. it requires too many employees
    - b. the results are not worth the effort
    - c. the process appears to be complicated and difficult
    - d. it is an expensive process
  16. The most difficult challenge facing international marketers is:
    - a. political adjustment
    - b. cultural adjustment
    - c. economic adjustment
    - d. legal adjustment
  17. Information already collected for another purpose that can be used to solve the current problem is:
    - a. primary data
    - b. secondary data
    - c. research data
    - d. data analysis
  18. What is the first step in planning a market research project?
    - a. surfing the Internet for existing data
    - b. getting permission from the holder of the marketing budget
    - c. contacting a market research agency
    - d. defining the research problem
  19. Which of the following is **not** one of the five basic business management functions?
    - a. planning
    - b. delegating
    - c. organizing
    - d. controlling
  20. How do managers assess organizational satisfaction?
    - a. evaluate how well goals are being met
    - b. poll senior management
    - c. survey customers and consumers
    - d. ask the board of directors
  21. Which management function involves assigning responsibility and authority among various departments or divisions?
    - a. staffing
    - b. organizing
    - c. planning
    - d. controlling
  22. Which one of these is **not** a stage of the product life cycle?
    - a. introduction
    - b. maturity
    - c. extinction
    - d. growth
  23. Which one of the following is a benefit to consumers of the exchanges that occur as a result of marketing?
    - a. gaining repeat business
    - b. obtaining items when needed
    - c. making maximum profits
    - d. determining how to meet wants

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24. Information that is gathered to address a specific issue or problem at hand is known as:
- marketing intelligence data
  - secondary data
  - primary data
  - MIS data
25. When marketing mixes are prepared for different market segments, the strategy is called \_\_\_\_\_ marketing.
- compartmentalized
  - differentiated
  - directed
  - custom
26. The first stage of the research process is:
- analyzing data
  - selecting a sample of respondents
  - defining the problem
  - planning the research design
27. Marketers who view political forces as being beyond their control are taking a \_\_\_\_\_ response toward these forces.
- aggressive
  - reactive
  - competitive
  - proactive
28. A liability for unpaid wages that are due to an employee for work performed is an example of:
- wage liability
  - liability for debt, loss, and injury
  - strict liability
  - product liability
29. The increasing move towards selling directly to customers rather than through intermediaries is known as:
- disintermediation
  - channel convergence
  - channel proliferation
  - disaggregation
30. \_\_\_\_\_ ethics involves studying and characterizing morality as it is.
- Normative
  - Relative
  - Descriptive
  - Existential

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## MARKETING SAMPLE CASE STUDY

### PARTICIPANT INSTRUCTIONS

1. You have 20 minutes to review the case.
2. Presentation time is seven minutes. At six minutes the timekeeper will stand and at seven minutes the timekeeper will stand and hold up a colored card indicating time is up.
3. The presentation is interactive with the judges who will ask questions throughout the presentation. The judges will play the roles of general manager and marketing manager for Bank of the Plains (or judges may change names), a large loyal customer for National Office. You are the management team for National Office. Your team must create a strategy to maintain the goodwill and future business of Bank of the Plains. Your team must describe strategies to improve customer service, recognize loyal customers, and improve attitudes and scheduling of sales associates.

### PERFORMANCE INDICATORS

- Explain the concept of production
- Describe the crucial elements of a quality circle
- Demonstrate a customer-service mindset.
- Explain the role of customer service as a component of selling relationships
- Explain key factors in building a clientele

### CASE STUDY SITUATION

You are to assume the role of a management team for a national office supply store (National Office). You have been made aware that one of your top corporate clients (Bank of the Plains) is not happy with the service that they received the last time that they visited your store. Your management team must consider all factors that made the experience unpleasant for your loyal customer and implement changes for your office supply store to maintain top customer relationships with all clients.

This past week your store offered numerous coupons and specials that attracted a large customer traffic count. Finding committed employees has become increasingly difficult in your growing city that currently has a population of 150,000 people. Your store had eight employees scheduled to work on Saturday since you expected a high volume of business with all of the special promotions. Only five employees showed up to work; three of the five employees were hired within the last two weeks and are still in training.

Long lines of customers waiting to pay for merchandise were very frustrated with the slow process. One of the employees had to leave their cash register to get computer merchandise for a customer while leaving a line of four customers unattended. A shrill alarm (whistle sound) also was blaring throughout the store. The security system was tripped when a customer tried to move a computer from a shelf. Unfortunately, none of the sales associates on duty knew how to turn off the alarm.

Bank of the Plains purchases more than \$250,000 of merchandise from your store each year; representatives from Bank of the Plains waited 15 minutes to pay for a large order of merchandise. The sales associate did not acknowledge the loyal customers and they questioned the coupons used by the customers before actually accepting them. The sales associate complained about the store's general management and hinted that they were ready to quit on the spot. Bank of the Plains was not impressed with their experience and they have indicated that they will take their business to a competitor in the future. You do not want to lose the business of Bank of the Plains and have set up a meeting to convince them to give you one more chance. You must explain to the customer what you have done to improve the service and management for your store. You also must provide Bank of the Plains an incentive to come

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back to your store. You must explain how your store will schedule employees in the future, what your store will do to create a quality circle, and what strategy is in place to improve customer service.

You will meet the general manager and marketing manager for Bank of the Plains in your office and must convince them to give your store another chance.

#### **THINGS TO CONSIDER**

- Analyze the current employee training strategies used by your company to make decisions for improvement.
- Understand the importance of positive public relations and create a PR strategy for Bank of the Plains.
- Create a customer rewards program that recognizes loyal customers when they are at the check out purchasing merchandise.
- Explain an improved employee training program that will better serve the needs of customers.
- Analyze your company's strengths and weaknesses and outline a strategy to overcome the weaknesses.
- What is the strategy to regain the commitment of a loyal customer who has decided to take their business to a competitor?

**Marketing Answer Key**

1) A	11) B	21) B
2) A	12) B	22) C
3) B	13) C	23) B
4) A	14) D	24) C
5) B	15) C	25) B
6) C	16) B	26) C
7) B	17) B	27) B
8) D	18) D	28) B
9) B	19) B	29) A
10) A	20) A	30) C



**Overview**

This event provides recognition for FBLA members who possess knowledge of the basic principles of marketing.

**Competencies**

The topics listed below are prioritized, listing the most important content areas of the tests.

- Price, product, place, and promotion
- Channels of distribution
- Legal and social aspects of marketing
- Advertising media
- E-commerce
- International marketing
- Marketing research
- Ethics

**Procedures/Tips**

- Review the Competitive Events Tips in the front of the book.

**Web Site Resources**

- <http://www.quickmba.com/marketing/>
- <http://www.marketingpower.com/>
- <http://www.toastmasters.org/>

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## Marketing Sample Questions

1. The best approach a firm can take in responding to marketing environmental forces is
  - a. reactive.
  - b. inactive.
  - c. proactive.
  - d. variable.
  
2. XYZ Inc. is evaluating its employees' wage and compensation package, workplace safety programs, and family workplace programs. XYZ is addressing which dimension of marketing citizenship and social responsibility?
  - a. ethical
  - b. economic
  - c. legal
  - d. philanthropic
  
3. Business markets are typically divided into four categories. These categories are
  - a. manufacturer, wholesaler, retailer, and services.
  - b. producers, manufacturer, resellers, and government.
  - c. producers, resellers, government, and institutional.
  - d. retailers, wholesalers, services, and non-profit firms.
  
4. A light bulb can be considered all the following **except**
  - a. a business product.
  - b. a consumer product.
  - c. a consumer product if it is used to light the office of the board of directors.
  - d. either a consumer product or a business product.
  
5. Which of the following is always used to determine the classification of goods?
  - a. specific product features
  - b. amount of shopping required by the buyer to obtain the product
  - c. buyer intent for using the product
  - d. price of the product
  
6. A group of managers has been assigned the task of developing a new product, has listed several good ideas, and is now in the process of assessing each idea to determine whether it is consistent with the firm's overall objectives and resources. The managers are at what stage of the new-product development process?
  - a. business analysis
  - b. idea generation
  - c. screening
  - d. product testing
  
7. Any group of people who, as individuals or as organizations, have needs for products in a product class and who have the ability, willingness, and authority to buy such products is a(n)
  - a. subculture.
  - b. marketing mix.
  - c. aggregation.
  - d. market.
  
8. The phase of new-product development in which a small sample of potential buyers are presented with a product idea in order to determine their attitudes and initial buying intentions regarding the product is called
  - a. test marketing.
  - b. idea analysis.
  - c. customer response testing.
  - d. concept testing.

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9. A brand is best defined as a
    - a. registered design or symbol that may be displayed on the product or used to promote it.
    - b. related group of words that describe the product.
    - c. name of the manufacturer or product.
    - d. name, term, sign, symbol, design, or combination of these that identifies a seller's product.
  
  10. The Nike swoosh that is prominent on all of the firm's packaging, products, and advertising is a
    - a. trade character.
    - b. brand.
    - c. trade mark.
    - d. trade name.
  
  11. To effectively monitor changes in the marketing environment, marketers must engage in
    - a. information collection.
    - b. environmental scanning and analysis.
    - c. marketing research.
    - d. using the marketing concept.
  
  12. When a glove manufacturer in China is allowed to sell only a certain number of plastic gloves in Japan, that firm is facing a(n)
    - a. embargo.
    - b. tariff.
    - c. restrictive product standard.
    - d. quota.
  
  13. Government restrictions on the amount of a particular country's currency that can be bought or sold are known as
    - a. exchange controls.
    - b. embargoes.
    - c. quotas.
    - d. import controls.
  
  14. \_\_\_\_\_ can force businesspeople to buy and sell foreign products through a central agency, such as a central bank.
    - a. Embargoes
    - b. Quotas
    - c. Export tariffs
    - d. Exchange controls
  
  15. The \_\_\_\_\_ is the difference in value between a nation's export and its imports.
    - a. balance of trade
    - b. export/import ratio
    - c. net trade value
    - d. gross domestic product
  
  16. Daimler-Chrysler has developed aluminum car bodies that are 100% recyclable and light enough to conserve fuel. What kind of response is this environmental force?
    - a. competitive
    - b. inactive
    - c. reactive
    - d. proactive
  
  17. The practice of linking a firm's product marketing to a particular social cause is known as
    - a. ethical marketing.
    - b. social responsibility.
    - c. cause-related marketing.
    - d. economic responsibility.

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18. Daimler-Chrysler has developed aluminum car bodies that are 100% recyclable and light enough to conserve fuel. What kind of response is this environmental force?
    - a. proactive
    - b. inactive
    - c. competitive
    - d. reactive
  19. Government restrictions on the amount of a particular country's currency that can be bought or sold are known as
    - a. import controls.
    - b. quotas.
    - c. embargoes.
    - d. exchange controls.
  20. Which of the following is used to help maintain a more favorable balance of trade by a country?
    - a. limiting exports
    - b. limiting imports
    - c. establishing exchange controls
    - d. changing political systems
  21. To effectively monitor changes in the marketing environment, marketers must engage in
    - a. using the marketing concept.
    - b. environmental scanning and analysis.
    - c. marketing research.
    - d. information collection.
  22. Dell Computer collects information about a wide variety of competitive, economic, political, legal, technological, and sociological forces that affect its marketing activities. This process is called
    - a. survey of the environment.
    - b. marketing information processing.
    - c. environmental scanning.
    - d. marketing.
  23. Environmental scanning means \_\_\_\_\_ information about the marketing environment, whereas environmental analysis is concerned with \_\_\_\_\_ this information.
    - a. collecting, assessing
    - b. assessing, collecting
    - c. interpreting, observing
    - d. assessing, interpreting
  24. When PepsiCo takes information collected through research and attempts to assess and interpret what it means for its soft-drink marketing efforts, PepsiCo is engaged in environmental
    - a. analysis.
    - b. forces.
    - c. management.
    - d. scanning.
  25. When marketing researchers consider sampling techniques, they are preparing to collect \_\_\_\_\_ data.
    - a. internal secondary
    - b. statistical
    - c. primary
    - d. census

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26. If Georgia-Pacific seeks information about trends in housing around the country and uses U.S. Department of Commerce reports to get this information, it is using \_\_\_\_\_ data.
- exploratory
  - secondary
  - primary
  - causal
27. The objective of sampling in marketing is to
- control independent variables that might influence research results.
  - ensure that measures in the study are reliable.
  - elicit responses from as many people as possible.
  - select representative units from a total population.
28. Patricia Robertson is running for Congress from the Sixth District in her state. She is interested in knowing the intended choices of the voters. All the registered voters in her district would constitute the study's
- population.
  - dependent variables.
  - experiment.
  - independent variable.
29. If you were to choose a sample with which to study the market for preschool toys in Illinois, the population would logically be defined as all
- preschool children in Illinois.
  - preschools in Illinois.
  - people in Illinois.
  - children in Illinois.
30. Which sampling design gives every member of the population an equal chance of appearing in the sample?
- random
  - nonprobability
  - quota
  - poll

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**Marketing Answer Key**

- 1) D
- 2) B
- 3) C
- 4) C
- 5) C
- 6) C
- 7) D
- 8) D
- 9) D
- 10) C

- 11) B
- 12) D
- 13) A
- 14) D
- 15) A
- 16) D
- 17) C
- 18) A
- 19) D
- 20) B

- 21) B
  - 22) C
  - 23) A
  - 24) A
  - 25) C
  - 26) B
  - 27) D
  - 28) A
  - 29) C
  - 30) A
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## MARKETING

This event provides recognition for FBLA members who possess knowledge of the basic skills and principles of marketing.

### Competencies

The topics listed below are prioritized, listing first the most important content areas of the tests; grouped topics are equal.

- Basic marketing functions (price, product, place, promotion), channels of distribution, legal and social aspects of marketing
- Advertising media, including e-commerce
- International marketing, marketing research,
- Ethics

### Procedures/Tips

1. Review the guidelines for this event found in the Competitive Events section of the current edition of the *Chapter Management Handbook*. You should have a copy of the guidelines and review them carefully.
2. Study from both South Western and Glencoe/McGraw Hill textbooks and review vocabulary lists in each book's glossary. FBLA tests are written from different sources. Do not rely solely on school texts for study. Check out library texts to gain a broader range of familiarity. Take as many practice tests as possible.
3. Dress according to the established dress code. If dress code is not followed, participant will be disqualified.
4. Check the location of your test well before the time of competition. Plan to arrive 15 minutes before the scheduled time for the test. Remember the elevators can be slow and hallways crowded.
5. Bring several sharpened No. 2 pencils with erasers. A calculator will be provided.
6. Check the event signs to be certain you are in the correct room or section of the room. More than one event may be tested in one room at the same time.
7. Listen carefully to instructions given by the event administrator. One hour is allowed for the actual test. Carefully read the instructions on the cover page of the test. Pace yourself during the testing to allow time to work quickly but accurately. Try to answer all the questions.
8. Make certain your answers are clearly marked and all stray marks are erased.
9. Turn in your test as soon as you are finished. A tiebreaker is resolved by evaluating the students' performance on the final ten questions of the exam and then by the time.
10. Take pride in your accomplishments and share the excitement of the awards program.

## MARKETING SAMPLE QUESTIONS

### Multiple Choice

- Goods purchased by the ultimate consumer for personal use are called
  - raw materials.
  - commercial goods.
  - personal products.
  - consumer products.
- The process of dividing the total market into several homogeneous groups is called
  - market segmentation.
  - market penetration.
  - marketing mix.
  - market grid.
- Which of the following items would not be marketed to a young "single?"
  - Encyclopedias
  - Fashion items
  - Cars
  - Vacations
- Supermarkets usually place items such as candy, gum, and magazines near the checkout counter so they will be easy to find. These products are displayed
  - based on price.
  - on a trial basis.
  - to create new habits.
  - at the point of purchase.
- Shopping products would typically include
  - Coca-Cola and Snapple Ice Tea.
  - bread, milk, and gasoline.
  - clothing, furniture, and appliances.
  - Rolex watches and BMW autos.
- The correct order of the product life cycle is:
  - introduction, decline, growth, stabilization.
  - introduction, growth, maturity, decline.
  - introduction, growth, competition, decline.
  - introduction, maturity, growth, decline.
- Early purchasers of new products are often
  - lower in social status.
  - less educated.
  - opinion leaders.
  - frugal.
- Star-Kist is a brand name, Charlie the Tuna would be considered a
  - private brand.
  - trademark.
  - label.
  - brand preference.
- Matthew is a college student who prefers Hire's root beer. However, if it is not available, he will drink another brand of root beer. Matthew is practicing
  - brand preference.
  - brand insistence.
  - brand awareness.
  - brand recognition.
- The desire for a specific brand is called
  - primary demand.
  - selective demand.
  - demand variability.
  - differentiated demand.
- Examples of sales promotion include each of the following **except**
  - trade shows.
  - contests.
  - coupons.
  - advertising.
- Profit maximization is
  - a volume objective.
  - not a price objective.
  - the addition to total costs balanced by the increase in total quantity sold.
  - achieving the balance between total revenue and total costs.
- The pricing strategy that emphasizes benefits derived from a product in comparison to the price and quality levels of competing offerings is called
  - value pricing.
  - value-added.
  - premium pricing.
  - value positioning.



14. Rolls Royce automobiles probably would be sold on the basis of the pricing strategy of
  - a. meeting competitors' prices.
  - b. prestige.
  - c. revenue maximization.
  - d. sales maximization.
15. The most popular method of pricing is
  - a. full-cost pricing.
  - b. breakeven pricing.
  - c. incremental-cost pricing.
  - d. cost-plus pricing.
16. The number of units that must be sold at a certain price in order to recover fixed costs is determined by
  - a. cost-plus pricing.
  - b. target return analysis.
  - c. breakeven analysis.
  - d. marginal analysis.
17. A step in the marketing research process is
  - a. defining the problem.
  - b. identifying hypotheses.
  - c. deciding whether data is primary or secondary.
  - d. interviewing the total population.
18. Your department head recommends using secondary data in your marketing research project. This secondary data would
  - a. require you to survey 100 people.
  - b. need to be collected by an outside professional researcher.
  - c. have been previously published by some agency or research organization.
  - d. require you to observe consumer buying habits.
19. One major source of research of global markets is the United States government, particularly the
  - a. Department of Commerce.
  - b. Federal Trade Commission.
  - c. Interstate Commerce Commission.
  - d. Treasury Department.
20. The attainment of organizational objectives by predicting and influencing the competitive, political-legal, economic, and social-cultural environments is referred to as
  - a. research and development.
  - b. marketing research.
  - c. environmental management.
  - d. uncontrollable variables.
21. No marketer who plans to succeed can initiate a strategy without taking into account society's
  - a. cultures and values.
  - b. research data.
  - c. resource allocations.
  - d. economic supply.
22. The Robinson-Patman Act is a law designed to
  - a. maintain a competitive environment.
  - b. regulate competition.
  - c. protect consumers.
  - d. deregulate the banking industry.
23. If you had a problem with the rates charged for your cargo being shipped cross country by railroad, you would complain to the
  - a. Interstate Commerce Commission.
  - b. local traffic manager.
  - c. Federal Communications Commission.
  - d. Federal Trade Commission.
24. Probably the most regulated aspect of a firm's marketing strategy is
  - a. production.
  - b. pricing.
  - c. profit.
  - d. promotion.
25. The consumerism movement started as a result of
  - a. increased competition.
  - b. the declining birthrate.
  - c. changing societal values.
  - d. the technological environment.
26. According to the American Marketing Association's Code of Ethics, marketers must be guided by
  - a. their rules of personal ethics.
  - b. the adherence to selective laws and regulations.
  - c. exclusions to "kickbacks."
  - d. the active support, practice, and promotion of the Code of Ethics.

27. The infrastructure of a country refers to its
- size, per capita income, and stage of economic development.
  - culture, including language, education, and social values.
  - legal agreements.
  - communication systems, transportation networks, and energy facilities.
28. A complete ban on the import of a product is known as
- an import quota.
  - a revenue tariff.
  - an embargo.
  - a protective tariff.
29. To market its apparel in Canada and Mexico, a company uses the same advertising campaign as in the United States. This strategy is
- global marketing.
  - commodity marketing.
  - international apparel marketing.
  - one-product, one message.
30. Protective tariffs can be used by a country to
- ban certain categories of imported products.
  - raise funds for the country of origin.
  - raise the retail price of imported products to match or exceed that of similar domestic products.
  - stabilize the value of products being imported.
31. Business firms that operate between producers and consumers are called
- marketers.
  - sorters.
  - intermediaries.
  - facilitators.
32. The traditional marketing channel for consumer goods is illustrated by
- producer to ultimate consumer.
  - producer to wholesaler to consumer.
  - producer to agent to wholesaler to retailer to consumer.
  - producer to wholesaler to retailer to consumer.
33. A manufacturer's agent
- can sell for several manufacturers of non-competing products.
  - is the independent marketing department of a small firm.
  - aids the manufacturer by taking title to the products.
  - carries a very large inventory for the manufacturer.

#### True/False

34. The regular addition of new products to the firm's mix helps ensure that it will not become a victim of product obsolescence.
35. A trademark is a brand that has been given legal protection exclusive to its owner.
36. The strategy of using a popular brand name for a new product entry in an unrelated product category is known as brand extension.
37. Demand curves are based on marketing research estimates that are as accurate as cost figures.
38. Breakeven analysis is a means of determining the number of goods or services that must be sold at a given price in order to generate sufficient revenue to cover total costs.
39. The Foreign Corrupt Practices Act legalized bribery and payoffs made by U.S. firms to foreigners.
40. Consumerism is defined as social forces within the environment designed to aid and protect the buyer by exerting legal, moral, and economic pressures on business.

Marketing

	ANSWER		ANSWER		ANSWER		ANSWER
1.	D	11.	D	21.	A	31.	C
2.	A	12.	D	22.	B	32.	D
3.	A	13.	A	23.	A	33.	A
4.	D	14.	B	24.	B	34.	T
5.	C	15.	D	25.	C	35.	T
6.	B	16.	C	26.	D	36.	F
7.	C	17.	A	27.	D	37.	F
8.	B	18.	C	28.	C	38.	T
9.	A	19.	A	29.	A	39.	F
10.	B	20.	C	30.	C	40.	T