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**Quiz (1) for Principles of Marketing (Sessions 1-3)**

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Major \_\_\_\_\_ Class \_\_\_\_\_ Name \_\_\_\_\_ Score \_\_\_\_\_

**I. Fill in the blanks with either "T" or "F" to mean "True" or "False" as your judgment for the following statements:**

- ( ) 1. A human want is a state of felt deprivation.
- ( ) 2. Exchange is the act of obtaining a desired object from someone by offering something in return.
- ( ) 3. The production concept is not a useful philosophy for making business divisions in situations where demand exceeds supply.
- ( ) 4. One criticism of the marketing concept is that it overlooks possible conflicts between short-run consumer wants and long-run consumer welfare. s
- ( ) 5. One Problem with matrix approaches is that they focus on current businesses but provide little advice for future planning.
- ( ) 6. Market challengers seek stable market shares and profits by following the marketing efforts of the market leader.
- ( ) 7. Managing the marketing effort involves four marketing management functions –analysis, planning, implementation, and control.
- ( ) 8. Consumerism is an organized movement of citizens and government to strengthen the rights and power of buyers in relation to sellers.
- ( ) 9. According to Engel's Laws, as family income rises the percentage of income spent on housing remains constant.
- ( ) 10. The economic environment consists of factors that affect consumer purchasing power and spending patterns.

**II. Choose one best answer out of the given choices:**

1. The kind of economy where each provider transacts with one market to obtain all their needed goods is called:  
a. self-sufficiency.      b. decentralized exchange.      c. centralized exchange.  
d. market-driven.      e. supply-side.
  2. The shift in marketing from trying to maximize profit on individual transactions to maximizing mutually beneficial relationships with consumers and others is called:  
a. sales marketing      b. production marketing      c. megamarketing  
d. relationship marketing      e. customer marketing
  3. The strategic planning process relies on all of the following except / or:
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- a. A clear company mission
  - b. Supporting objectives
  - c. A sound business portfolio
  - d. Coordinated functional strategies
  - e. All of the above are used in strategic planning
4. The decision to milk an SBU of its short term cash flow, regardless of the long-term effects of its action is called a \_\_\_\_\_ strategy.
- a. build
  - b. harvest
  - c. hold
  - d. divest
  - e. restructure
5. Under the product/market expansion grid, the strategy of making more sales to present customers without altering the products is called:
- a. market penetration.
  - b. market development.
  - c. product development
  - d. diversification.
  - e. None of the above.
6. The process of dividing a market into distinct groups of buyers with different needs, characteristics, or behaviors is called:
- a. Demand forecasting
  - b. Market segmentation.
  - c. Market targeting
  - d. Market positioning
  - e. None of the above.
7. \_\_\_\_\_ are runner-up companies that aggressively attack competitors to get more market share.
- a. Market leaders
  - b. Market challengers
  - c. Market followers
  - d. Market nichers
  - e. Market terrorists
8. Stockholders would be considered \_\_\_\_\_ part of which of the following?
- a. Internal publics.
  - b. Local publics.
  - c. Financial publics.
  - d. Media publics.
  - e. Citizen-action publics.
9. \_\_\_\_\_ beliefs and values are open to some degree of change.
- a. Crucial
  - b. Core
  - c. Primary
  - d. Secondary
  - e. Tertiary
10. The leisure industry sells goods and services that help people reach self-fulfillment. This industry capitalizes on which kind of expression of cultural values?
- a. People's view of themselves.
  - b. People's view of others.
  - c. People's view of organizations.
  - d. People's view of nature
  - e. People's view of the universe.

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