
Quiz (5) for Principles of Marketing (Sessions 14-15)

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 one-level channel of distribution is also called a direct marketing channel.
- () 2. From a producer's point of view, the problem of control decreases as the number of channel levels increases.
- () 3. The main quality of a vertical marketing system (VMS) which differentiates it from a conventional marketing system is that the channel members act as a unified system.
- () 4. Multimarketing (dual distribution) occurs when a company uses more than one channel system to reach customers.
- () 5. Selective distribution occurs when the product is stocked in as many outlets as possible.
- () 6. Retailer cooperatives are a form of franchise organization.
- () 7. Intensive distribution is a strategy that affects the number of middleman used.
- () 8. A marketing database is an organized set of data about individual customers or prospects which the company can use to generate leads, sell products and services, but it cannot be used for on-going customer relationship building.
- () 9. Determining the store atmosphere is part of the product assortment and services decisions faced by marketers.
- () 10. Industrial distributors are full-service merchant wholesalers.

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

1. Reaching an agreement over price and other terms so that ownership or possession can be transferred corresponds to which key function of marketing channels?
a. information b. promotion c. contact d. matching e. negotiation
2. When a car dealer complains to the manufacturer that another dealer of the same make of cars is selling outside their assigned territories, it is a type of
a. parallel conflict b. customer-service conflict c. vertical conflict
d. horizontal conflict e. promotional conflict
3. A vertical marketing system (VMS) consists of the producer(s), wholesaler(s), and retailer(s) acting as a unified system. A _____ vertical marketing system consists of independent firms at different levels of production and distribution who join together to

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- obtain greater economies of scale or sales impact than they could achieve alone..
- a. corporate b. contractual c. administered
d. conventional e. horizontal
4. Christine Robert, a fashion designer and producer of women's fashions, sells her fashions through her own chain of boutiques (retail outlets). Christine Robert as the producer and retailer is an example of :
- a. franchise organization. b. corporate VMS. c. administered VMS.
d. contractual VMS. e. conventional VMS.
5. Iron City beer is brewed in Pittsburgh, Pennsylvania, and is sold throughout the northeast by independent beverage wholesalers. Each wholesaler attempts to have Iron City sold in as many grocery stores and taverns as possible. The strategy for distributing Iron City is _____ distribution.
- a. selective b. intensive c. exclusive
d. interdependent e. reciprocal
6. _____ is direct communications with carefully targeted individual consumers to obtain an immediate response.
- a. Direct marketing b. Mass marketing
c. Integrated marketing d. Demand marketing
7. All the following are cited by the chapter as forms of direct marketing communication except:
- a. specialty advertising. b. face-to-face selling.
c. kiosk marketing. d. online marketing.
8. The type of retail store that carries a narrow product line with a deep assortment with that line is called a:
- a. specialty store b. convenience store c. supermarket
d. department store e. superstore
9. In terms of control of outlets classifications for retailers, a contractual association between a manufacturer, wholesaler, or service organization and independent business people is a:
- a. merchandising conglomerate b. franchise c. consumer cooperative
d. voluntary chain e. corporate chain
10. When a firm such as General Motors sets its prices to achieve a 15 percent to 20 percent profit on its investment, it is using which type of pricing method?
- a. cost-plus pricing b. perceived-value pricing c. target profit pricing
d. going-rate pricing e. sealed-bid pricing

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