**Advertising Promotion**

**Course Number: 210011**

**Homework: 4**

Following are 33 multiple choice questions, each worth 3 points, covering Chapters 11, 12 and 13. Indicate the answer you think best answers the question asked.

**Chapter 11:**

1) Successful database marketing emphasizes two things:

A) sales and contribution margin.

B) identifying customers and building relationships.

C) lifetime value of customers and data mining.

D) data mining and data coding.

2) The primary benefit of database marketing is:

A) the enhancement of customer loyalty.

B) higher sales.

C) greater profits.

D) greater brand parity.

3) An operational database contains:

A) transactions and interactions individuals have with a firm.

B) information about current customers and customers of the competition.

C) customer transactions and follows accounting principles.

D) information about current customers, former customers, and prospects.

4) A marketing database contains:

A) transactions and interactions individuals have with a firm.

B) information about current customers and customers of the competition.

C) customer transactions and follows accounting principles.

D) information about current customers, former customers, and prospects.

5) The easiest part of building a data warehouse is:

A) data coding through customer cluster analysis and lifetime value calculations.

B) the appended demographic and psychographic information.

C) obtaining the history of customer interactions and contact with a firm.

D) collecting customer names and addresses.

6) The most cost-effective means of communicating with customers is:

A) the telephone.

B) through computer cookies.

C) the mail.

D) the internet and email.

7) Many times demographic and psychographic information about customers is not available through internal company records. In these situations:

A) the information can be purchased from external marketing research firms.

B) a company can offer customers an incentive to provide the necessary information.

C) the database can be appended with interaction and history information.

D) geocoding can be appended to each customer's record.

8) Using geocoding, a company's marketing department can add which of the following to each customer's record?

A) Demographic information and lifestyle data as well as the geographical codes

B) Total purchases made at each retail outlet in the area

C) Demographic and political information

D) A composite analysis of his or her neighbors

9) Common forms of database coding are:

A) data mining and cluster customer analysis.

B) lifetime value analysis, customer cluster analysis, and location-data tracking.

C) lifetime value analysis and data mining.

D) geocoding, data mining and location-data tracking.

10) A lifetime value analysis creates a figure that represents the:

A) sales revenue generated by a customer throughout his or her lifetime with a brand or company.

B) present value of the profit revenue generated by a customer in a particular product category.

C) present value of the profit revenue of a customer throughout the lifetime of a relationship with a brand or company.

D) profit revenue of a customer throughout his or her lifetime.

11) Many marketing experts believe calculating the lifetime value of a market segment is superior to calculating the value for a single individual because it:

A) is a larger number.

B) is more stable than an individual.

C) adds costs that cannot be allocated per individual.

D) sums costs across a market segment.

**Chapter 12:**

1) When a manufacturer offers a special promotion on its products to other companies for their consumption and not for resale, it is a:

A) consumer promotion.

B) bonus program.

C) trade promotion.

D) brand awareness program.

2) Manufacturers and other members of the marketing channel use trade promotions to help pull products through to retailers.

3) What is the difference between consumer promotions and trade promotions?

Answer: Consumer promotions are incentives offered to the end user while trade promotions are offered to channel members.

4) The primary vehicle for distributing print coupons is:

A) magazines.

B) newspapers.

C) direct mail.

D) freestanding inserts.

5) Freestanding inserts are found primarily in:

A) magazines.

B) newspapers.

C) shopping malls.

D) catalogs.

6) Which type of coupon is placed on a package to be used during the purchase of that product?

A) Freestanding

B) Bounce-back

C) Instant redemption

D) Rebate

7) A package of Oreo cookies has a $1.00-off coupon attached to the package that can easily be removed. This is an example of which type of coupon?

A) Instant redemption

B) Bounce-back

C) Cross-ruffing

D) Response-offer

8) A bounce-back coupon is:

A) not immediately redeemable.

B) not normally distributed by a manufacturer.

C) a form of premium.

D) used at the time the product is purchased.

9) Bounce-back coupons are used to encourage:

A) brand switching.

B) repeat purchases.

C) trial purchases.

D) brand loyalty.

10) A $1.00 coupon placed inside a box of Quaker Oats is an example of which type of coupon?

A) Instant redemption

B) Bounce-back

C) Cross-ruffing

D) Response offer

11) When a cash register triggers a coupon for a product, it is:

A) bounce-back.

B) scanner-delivered.

C) cross-ruffing.

D) response offer.

**Chapter 13:**

1) In a public relations program, a hit is:

A) an advertisement that is successful.

B) a consumer promotion's tie in with publicity.

C) a mention of the company's name in a news story.

D) an advertising slogan with high recall.

2) In a public relations program, a mention of the company's name in a news story is called a:

A) press release.

B) publication.

C) hit.

D) mention.

3) In a public relations program, a hit can enhance:

A) the use of a tagline.

B) brand or company awareness.

C) company or brand image.

D) stock dividends.

4) A news story about steering problems on Toyota vehicles is an example of a(n):

A) public relations hit.

B) event.

C) negative tie-in.

D) negative cross-promotion.

5) The functions of public relations include each of the following *except*:

A) create public image-building activities.

B) prevent or reduce image damage.

C) design direct response marketing programs.

D) audit corporate social responsibility.

6) A person or group with a vested interest in a firm's well-being is a(n):

A) stakeholder.

B) arbitrator.

C) foreign government.

D) media buyer.

7) Each of the following is a company stakeholder, *except*:

A) suppliers of raw materials.

B) foreign governments for a non-international company.

C) the media.

D) contributors to an unrelated charity.

8) Special interest groups are:

A) internal stakeholders.

B) disgruntled employees.

C) external stakeholders.

D) governmental stakeholders.

9) Which of the following statements about a corporation's reputation is true?

A) Most corporate leaders clearly understand the reputations of their companies.

B) Reputation of a company is not important for individuals seeking employment at a company.

C) The company's reputation is vulnerable to both internal and external negative events.

D) In the past decade most consumers have expressed greater trust and respect for various corporations, meaning the reputations have improved.

10) Which statement below reflects current consumer attitudes towards businesses?

A) Most consumers believe that as a general rule, businesses follow good practices. It is the few that have been caught that generate the worst publicity.

B) Most consumers believe corporate scandals, accounting fraud, and CEO greed are on the decline.

C) Consumers are leery of big businesses, suspicious of business motives, and are unsure if any company can be trusted.

D) Consumers believe big businesses cannot be trusted, but small businesses are normally honest and reputable.

11) Of the internal stakeholders, the group that is the most critical to the success of a firm is the:

A) shareholders.

B) employees.

C) labor union.

D) customers.