



## SAMPLE EXAM

### MARKETING CAREER CLUSTER

## THE MARKETING CAREER CLUSTER EXAM IS USED FOR THE FOLLOWING EVENTS:

APPAREL AND ACCESSORIES MARKETING SERIES **AAM**

AUTOMOTIVE SERVICES MARKETING SERIES **ASM**

BUSINESS SERVICES MARKETING SERIES **BSM**

BUYING AND MERCHANDISING TEAM DECISION MAKING **BTDM**

FOOD MARKETING SERIES **FMS**

INTEGRATED MARKETING CAMPAIGN-EVENT **IMCE**

INTEGRATED MARKETING CAMPAIGN-PRODUCT **IMCP**

INTEGRATED MARKETING CAMPAIGN-SERVICE **IMCS**

MARKETING COMMUNICATIONS SERIES **MCS**

MARKETING MANAGEMENT TEAM DECISION MAKING **MTDM**

PROFESSIONAL SELLING **PSE**

RETAIL MERCHANDISING SERIES **RMS**

SPORTS AND ENTERTAINMENT MARKETING SERIES **SEM**

SPORTS AND ENTERTAINMENT MARKETING TEAM DECISION MAKING **STDm**

These test questions were developed by the MBA Research Center. Items have been randomly selected from the MBA Research Center's Test-Item Bank and represent a variety of instructional areas. Performance indicators for these test questions are at the prerequisite, career-sustaining, and specialist levels. A descriptive test key, including question sources and answer rationale, has been provided.

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1. How can researchers protect the integrity of the marketing information they collect?
  - A. By interpreting it correctly
  - B. By organizing it logically
  - C. By publishing it openly
  - D. By reviewing it frequently
2. Which of the following statements is an example of a measure of central tendency:
  - A. Twelve members of the community swim team are 15 years old.
  - B. The average U.S. male buys frozen pizza four times every 30 days.
  - C. Morrow County gasoline taxes have increased 15% in 6 months.
  - D. The distance between point A and point B is 55 kilometers.
3. The EFG Company verifies that its customers would like to receive promotional information digitally. This is an example of
  - A. online cookies.
  - B. instant messaging.
  - C. unsolicited junk mail.
  - D. opt-in email.
4. Daily tasks that affect your appearance, such as dental care, showering, and applying deodorant, are an important aspect of your
  - A. diet and nutrition.
  - B. posture and confidence.
  - C. professional wardrobe.
  - D. personal hygiene routine.
5. Businesses usually maintain customer sales records that contain information about the
  - A. types of products being purchased.
  - B. suppliers that provide the goods.
  - C. discounts offered by manufacturers.
  - D. cost of paying commissioned salespeople.
6. If you do not keep up with the balance of your checking account, you might
  - A. have your identity stolen.
  - B. prevent fraudulent charges.
  - C. challenge the bank's authority.
  - D. incur fees and penalties.
7. What best describes the goal of amplified word-of-mouth promotion?
  - A. Encouraging customers to provide both positive and negative feedback
  - B. Improving the quality of goods and services the business offers
  - C. Providing information to activists to share with others
  - D. Building loyal relationships with the customers

8. What do most businesses negotiate when placing an order with a supplier?
- A. Who pays the transportation charges
  - B. Who prepares the goods for shipment
  - C. Which transportation service to use
  - D. Which warehouse is the most modern
9. The Walt Disney Company promoted Pocahontas by giving away free vacations to Walt Disney World through sign-ups in Target stores. This is an example of what kind of promotional tool?
- A. Publicity
  - B. Sales promotion
  - C. Advertising
  - D. Personal selling
10. To assist and support another channel member's sales promotion in a particular area, a producer might work with the channel member to
- A. research and develop innovative products.
  - B. develop a reliable accounting system.
  - C. identify trends and market shifts.
  - D. coordinate a regional advertising campaign.
11. Marketers use data to determine pricing strategies such as
- A. what products to offer.
  - B. how much of the product to create.
  - C. how much to spend on advertising.
  - D. when to offer a discount on the product.
12. The main tools used in synectics, a creative-thinking technique, are
- A. different colored hats.
  - B. mind maps.
  - C. metaphors and analogies.
  - D. brainstorming groups.
13. Which of the following is a benefit of whole life insurance:
- A. The policyholder earns interest at current rates.
  - B. It combines death benefits with a savings plan.
  - C. The policyholder can borrow the policy's cash value.
  - D. It has lower premiums than term insurance.
14. In relation to product grades and standards, why is international standardization needed?
- A. To protect patents, copyrights, and trademarks
  - B. To prevent market expansion
  - C. To protect developing countries from competition
  - D. To prevent technical barriers to trade

15. A large car manufacturer purchases materials that it will use to create parts for vehicles. The car manufacturer is a(n)
- A. retailer.
  - B. agent.
  - C. wholesaler.
  - D. industrial user.
16. Which of the following best explains the relationship of intrinsic and extrinsic motivation in most developed countries:
- A. Intrinsic motivation is generally more effective than extrinsic motivation.
  - B. Intrinsic motivation and extrinsic motivation are equally effective.
  - C. Extrinsic motivation and intrinsic motivation are not effective.
  - D. Extrinsic motivation is generally more effective than intrinsic motivation.
17. Which of the following activities typically occurs during new employee orientation:
- A. Contact with the employee's references
  - B. A tour of the business
  - C. A review of the employee's resume
  - D. A performance appraisal
18. A characteristic of the growth stage of a product's life cycle is
- A. beginning obsolescence.
  - B. rising sales.
  - C. increasing costs.
  - D. declining distribution.
19. Effective budgets should always be
- A. secretive.
  - B. evaluated.
  - C. optimistic.
  - D. inflexible.
20. Marissa's new business venture failed because she did not want to work the long hours required to get the business up and running. Marissa lacked
- A. personal commitment.
  - B. financial resources.
  - C. problem-solving skills.
  - D. self-confidence.
21. A national fast-food chain test markets its new sandwich in a few cities to gather data about its sales potential. Which type of marketing research is this?
- A. Exploratory
  - B. Descriptive
  - C. Statistical
  - D. Causal

22. During a manager's meeting, Jon says, "In relation to Marilee's previous remark, our department has a similar problem. Perhaps we should form an internal committee to address these issues." In this situation, Jon is contributing to a group discussion by
- A. helping the group summarize what's been said.
  - B. pointing out missing information.
  - C. building on someone else's comment.
  - D. establishing ground rules for the meeting.
23. Which of the following is an example of prejudice:
- A. Arnie rarely hires women to work as engineers for his company.
  - B. A juror believes a defendant is guilty before the trial begins.
  - C. Students compare grades and realize their teacher is unfair.
  - D. A taxi driver refuses to pick up passengers of a certain ethnicity.
24. When Trisha's marketing plan doesn't succeed, she does not give up or get upset. Trisha is demonstrating
- A. open-mindedness.
  - B. creativity.
  - C. fortitude.
  - D. caution.
25. One of the roles of ethics in information management involves an individual's right to
- A. equity.
  - B. privacy.
  - C. safety.
  - D. dignity.
26. When assessing risks associated with an upcoming event, sports/event organizations should acquire input from all levels of management and
- A. financial consultants.
  - B. public relations agencies.
  - C. local personnel inspectors.
  - D. vertical staff members.
27. The corrective action that the government might require an advertiser to take if the advertiser does not advise consumers about important facts about a product is called affirmative
- A. disclosure.
  - B. endorsement.
  - C. testimonial.
  - D. briefing.
28. Channel members of a supply chain should be familiar with antitrust laws so they do not engage in activities that
- A. prohibit authority.
  - B. limit monopolies.
  - C. hinder competition.
  - D. restrict efficiency.

29. A business that writes letters to customers to confirm their orders or requests should make sure that the letters contain
- A. exchange rates.
  - B. a map of all business locations.
  - C. all the necessary information.
  - D. product ratings and grades.
30. To reduce the risk of bribery in selling situations, it is a good idea for businesses to develop
- A. product delivery policies.
  - B. promotional budgets.
  - C. entertainment guidelines.
  - D. diversity training manuals.
31. Which of the following typically addresses conflicts of interest, harassment, discrimination, and confidentiality:
- A. Annual report
  - B. Operating statement
  - C. Mission statement
  - D. Code of conduct
32. Which of the following would be most appropriate for mass marketing:
- A. Diapers
  - B. Toothpaste
  - C. Winter coats
  - D. Toy trucks
33. What is the most important economic resource?
- A. People
  - B. Energy
  - C. Minerals
  - D. Equipment
34. Bread for a family would best be classified as a(n) \_\_\_\_\_ product.
- A. installation
  - B. shopping
  - C. convenience
  - D. specialty
35. How does selling help create possession utility?
- A. By affecting employment
  - B. By increasing competition
  - C. By creating desire for products
  - D. By keeping the economy moving

36. An employee notifying a government agency that their business is violating health and safety regulations is an example of
- A. unethical behavior.
  - B. verbal communication.
  - C. reporting noncompliance.
  - D. spreading gossip.
37. Coca-Cola's "Always the real thing" campaign is an example of what type of promotion?
- A. Taste
  - B. Company
  - C. Service
  - D. Product
38. Brea, Robert, and Lincoln are college friends who want to start a business. Brea has creative ability, Robert's expertise is selling, and Lincoln's expertise is management. However, each has limited capital. Their ideal type of business ownership is a
- A. merger.
  - B. partnership.
  - C. franchise.
  - D. corporation.
39. Which of the following is an example of a persuasive message that businesses write:
- A. Handwritten note
  - B. Email
  - C. Collection letter
  - D. Interoffice memo
40. Facts about demographic shifts, the competition, and product demand gathered to solve a business's problem are examples of
- A. data analysis.
  - B. situation analysis.
  - C. primary data.
  - D. marketing research.
41. Which of the following is an example of corporate social responsibility:
- A. A business provides three weeks of vacation time to all employees.
  - B. A retail store refuses to accept returns once 30 days have passed.
  - C. A company donates a portion of its proceeds to charity each year.
  - D. A startup business runs a public relations campaign about its mission.
42. Which of the following is an example of how building a clientele benefits the business:
- A. Increased knowledge
  - B. Personal satisfaction
  - C. Increased sales volume
  - D. Increased selling costs

43. Which of the following actions would demonstrate initiative on the part of an employee who has no customers at the moment:
- A. Doing routine housekeeping
  - B. Checking their appearance
  - C. Catching up on company news
  - D. Paying their bills
44. Companies A, B, and C meet secretly and agree to coordinate their prices. This is an example of
- A. price fixing.
  - B. black-market pricing.
  - C. price discrimination.
  - D. predatory pricing.
45. During one scene of a popular TV show, an actor pours a box of brand-name cereal into a bowl and begins to eat it. What does this exemplify?
- A. Product placement
  - B. Product programming
  - C. Brand identification
  - D. Brand awareness
46. Which of the following is an example of a business behaving ethically in an effort to protect consumers:
- A. Explaining the new manufacturing process
  - B. Wrapping products in plain paper
  - C. Placing informative commercials on TV
  - D. Using tamper-resistant packaging
47. Because product quality and price can easily be matched, customer service becomes a key component in business
- A. communications.
  - B. competition.
  - C. careers.
  - D. forecasts.
48. An indisputable or accepted fact is a(n)
- A. error.
  - B. deception.
  - C. truth.
  - D. ethic.
49. Which of the following is an example of product bundling:
- A. Business selling computer, printer, and ink cartridges as a unit
  - B. Theme park charging admission and selling ride tickets
  - C. Lumber company selling wood chips as small-animal bedding
  - D. Garden shop discounting prices of seasonal merchandise



50. An arrangement that allows customers to purchase and use goods or services and pay for them at a future time is referred to as a \_\_\_\_\_ sale.
- A. credit
  - B. cash
  - C. budget
  - D. layaway
51. Which of the following could you get from customers that would be useful in the selling process:
- A. Promotional materials
  - B. Manuals
  - C. Catalogs
  - D. Testimonials
52. Jason, an American, is conducting a business meeting in China. Before leaving for his trip, he does some research and learns that Asia is considered a “high-context” culture, meaning that speakers leave much of their message unspecified and instead rely on nonverbal cues and between-the-lines interpretation. This is important for Jason to know so that he can
- A. adapt his communication style to match the culture he is visiting.
  - B. look like a "know-it-all" during his meeting with his Chinese partners.
  - C. show his business partners the superiority of the American communication style
  - D. speak very clearly and explicitly to his Chinese business partners.
53. How does marketing research help a business implement the marketing concept?
- A. By solving the business's problems
  - B. By preventing financial losses
  - C. By setting goals for the business
  - D. By identifying consumers' wants and needs
54. Which of the following is an effective strategy to use before beginning to read:
- A. Consult a glossary.
  - B. Think about what you want to learn.
  - C. Take notes.
  - D. Summarize the information.
55. Which of the following sample designs is appropriate for use in unique or hard-to-reach populations:
- A. Convenience sampling
  - B. Snowball sampling
  - C. Cluster sampling
  - D. Stratified random sampling
56. In times of crisis, business leaders are needed to
- A. provide a new vision for an organization.
  - B. get the business off the ground.
  - C. encourage overwhelmed employees.
  - D. lead change.

57. Omar plans to open a golf shop in Florida because he thinks he can make a lot of money from the shop. Omar's decision is based on
- A. his desire to move.
  - B. the Florida climate.
  - C. his knowledge of golf.
  - D. the profit motive.
58. Stouffer's developed its product line of entrees called Lean Cuisine to appeal to consumers who want good-tasting meals that are low in calories. This product-mix strategy is an example of
- A. incorporation.
  - B. alteration.
  - C. positioning.
  - D. depth.
59. When office arrangements require employees to share space, what do many businesses provide to offer their employees an area for privacy?
- A. Meeting rooms with doors
  - B. Recreational facilities
  - C. Individual cubicles
  - D. Cafeterias with small tables
60. Which of the following is a benefit of being exposed to conflicting viewpoints:
- A. Improved communication skills
  - B. Ability to win arguments easily
  - C. Decreased responsibility at work
  - D. Increased popularity in social circles
61. Which of the following business resources provides information about a company's dress codes, vacation policies, and general rules for appropriate behavior:
- A. Productivity manual
  - B. Employee handbook
  - C. Customer newsletter
  - D. Personnel record
62. Businesses seeking to target the teenage market often use
- A. newspapers.
  - B. specialty advertising.
  - C. direct mail.
  - D. broadcast media.
63. Which of the following situations is an example of a marketing researcher obtaining secondary data:
- A. Marsha follows up with a customer.
  - B. Maliq interviews a client.
  - C. Jennifer distributes a survey.
  - D. Ben reads a trade magazine.

64. The increased use of computers and telecommunications equipment is fueling the trend in business that allows many employees to
- A. perform routine tasks.
  - B. participate in management.
  - C. compete with coworkers.
  - D. work in various locations.
65. While facilitating a brainstorming session to generate product ideas, Jiang told Isla that her idea would be too expensive to implement. What did Jiang do wrong while facilitating the brainstorming session?
- A. Exceeded the time limit
  - B. Ignored a group member
  - C. Asked for opinions
  - D. Evaluated the idea
66. Which of the following is an example of consideration in a contract:
- A. Selling an item for \$500
  - B. Promising to make a gift
  - C. Putting the price in writing
  - D. Giving away an item worth \$500
67. Unethical business practices may lower a company's stock prices because
- A. investors prefer to invest in companies they perceive as ethical.
  - B. employees resign from unethical companies.
  - C. the government fines unethical companies.
  - D. unethical companies usually go bankrupt.
68. Spending a lot of time on customer complaints can cause a business to be
- A. less efficient.
  - B. unpopular.
  - C. very successful.
  - D. more profitable.
69. Which of the following is an example of a possible opportunity that a business might identify as a result of conducting a situational analysis:
- A. Increases in operating expenses
  - B. Customers changing their habits
  - C. Suppliers raising their prices
  - D. Declines in economic conditions
70. It is beneficial to a marketing researcher to use open-ended questions on a survey when
- A. maintaining structure is important.
  - B. requesting objective responses.
  - C. using a long, technical survey.
  - D. conducting exploratory research.

71. There is a dispute between two retailers selling office supplies to the same target market. This is an example of
- A. vertical conflict.
  - B. horizontal conflict.
  - C. conflict of interest.
  - D. conflict of needs.
72. To make sure he develops a realistic personal budget, Marcel should always
- A. verify his past credit rating.
  - B. track and record his expenses.
  - C. pay his bills on time.
  - D. consult with a bookkeeper.
73. Charlie's family could not afford to pay for his college tuition, so when he graduated high school, he was not able to get a job that paid more than minimum wage. Val's family, on the other hand, is wealthy and paid for her to attend college. She was able to earn a degree and get a well-paying job. This is an example of
- A. freedom in the marketplace.
  - B. supply and demand.
  - C. a weakness of the private enterprise system.
  - D. limited government control in the private enterprise system.
74. What is the primary action needed to ensure employees understand their roles in meeting the business's overall goals?
- A. Motivational speeches
  - B. Peer evaluation
  - C. Ongoing communication
  - D. Brainstorming activities
75. Accountants perform a service for clients, no matter whether those clients are individuals or businesses, but they also provide information that can drastically affect the economy as a whole. Many people can be impacted by the information an accountant provides; therefore, accountants have a responsibility to look out for the greater good. What key ethical accounting principle focuses on looking out for the greater good as a whole, not just for themselves or their clients?
- A. Transparency and full disclosure
  - B. Due care
  - C. The public interest
  - D. Objectivity and independence
76. Which of the following is a good reason why a business would remove a product from its product mix and replace it with another:
- A. The product has become a collectible.
  - B. The product has become a fast seller.
  - C. The company wants to increase its market share.
  - D. The company wants to expand its product line.

77. Jeremy has \$15,000 to spend on a new car. He found a car that cost \$14,500, but he did not think the car was worth more than \$12,000. The dealer told Jeremy that he has not been able to sell this model because other customers have expressed the same opinion as Jeremy. Does demand for this car exist?
- A. Yes, because consumers like the car but don't buy it.
  - B. No, because consumers are not willing to pay the price being asked for this car.
  - C. Yes, because consumers think the car is worth \$12,000.
  - D. No, because consumers do not have the buying power to purchase this car.
78. Because Niyah is not a "morning person," it takes a little while for her to feel alert and focused. Which of the following tasks is best for Niyah to work on when she first arrives at the office:
- A. Prepare a presentation
  - B. Read email
  - C. Write a research report
  - D. Update the departmental budget
79. Which of the following things might a marketer do to achieve the company's pricing objective of raising the product's value in the customer's eyes:
- A. Lower the product's price
  - B. Decide how to package the product
  - C. Ask a higher price for the product
  - D. Order more of the product
80. An effective promotional mix is important because it helps a business
- A. obtain customers.
  - B. generate publicity.
  - C. place advertising.
  - D. influence vendors.
81. The sum of the operating and direct expenses required to make a product is its
- A. gross cost.
  - B. price markup.
  - C. break-even point.
  - D. total cost.
82. What can businesses do to reduce risks associated with personal injuries and product damage due to improper product use?
- A. Implement a return policy
  - B. Use recyclable packaging
  - C. Offer a service guarantee
  - D. Provide detailed written instructions
83. A business associating a common name with its various products and product lines is often referred to as
- A. generic distribution.
  - B. blended distribution.
  - C. differentiated branding.
  - D. monolithic branding.

84. The prices of services in a new business are about the same as those of similar businesses in the area. This is an example of pricing that is
- A. flexible.
  - B. competitive.
  - C. strategic.
  - D. realistic.
85. Your personal circle of friends is a
- A. reference group.
  - B. national culture.
  - C. membership group.
  - D. subculture.
86. A food manufacturer is hoping to improve the efficiency of its production processes. What should the company do first?
- A. Analyze its current processes
  - B. Acquire necessary resources
  - C. Communicate changes to stakeholders
  - D. Draft proposed process changes
87. Which of the following survey response methods is the most difficult for researchers to code for evaluation:
- A. Open-ended
  - B. Closed-ended
  - C. Forced-choice
  - D. Scale-response
88. The owners of a Chinese bistro decided to open a Thai restaurant. After surveying their regular customers, they determined that 85% of people sampled would be very likely to visit the new Thai restaurant. Therefore, they determined that the restaurant would be a success in their town. A possible problem with the data collected is that they
- A. include leading questions.
  - B. are full of dishonest responses.
  - C. contain incomplete data.
  - D. do not represent the population.
89. A manufacturer who wants a retailer to carry a new product might pay the retailer a slotting allowance to cover the cost of
- A. stocking the product.
  - B. sales incentives.
  - C. licensing fees.
  - D. mail-in rebates.

90. A company's manager did not protect confidential information about a conflict between two employees. What is a likely consequence of this action?
- A. Loss of clients
  - B. Claims of workplace discrimination
  - C. Costly lawsuits
  - D. Damaged workplace environment
91. Salespeople often find useful selling information in the business's own \_\_\_\_\_ materials.
- A. highlighting
  - B. networking
  - C. advertising
  - D. telemarketing
92. Statistical findings reveal that the Benson Company earned a 35% net profit on the funds it spent on a project. The statistics provided the Benson Company with information about the business's
- A. return on investment.
  - B. sales strategies.
  - C. sales commission rate.
  - D. retention rate.
93. Many businesses use database software programs to computerize their customer mailing lists in order to instantly
- A. prepare sales letters.
  - B. sort by zip code.
  - C. write email messages.
  - D. calculate monthly profit.
94. What type of information are businesses that sponsor sales promotion sweepstakes and contests required to make available to the customers who participate in those promotions?
- A. Samples of product
  - B. Odds of winning
  - C. Value of coupon
  - D. Amount of rebate
95. Which of the following is an advantage of quantitative sales forecasting:
- A. It's reliable.
  - B. It's cheap.
  - C. It provides a "human touch."
  - D. It's perfect for new businesses.
96. An example of how technology is simplifying the price-marking function is by enabling manufacturers to
- A. exchange data electronically.
  - B. preprint UPC data on packages.
  - C. ship goods directly to businesses.
  - D. receive new orders automatically.

97. Industry and professional associations develop ethical standards for marketing professionals because ethics are
- A. rarely followed.
  - B. frequently understood.
  - C. usually apparent.
  - D. sometimes unclear.
98. One of the most effective ways to balance personal and professional responsibilities is by
- A. avoiding personal responsibilities until your work is finished.
  - B. accepting the fact that you won't be able to spend time with your family.
  - C. setting realistic goals through prioritization.
  - D. procrastinating on work to fit in personal activities.
99. To help ensure ethical business operations, businesses should make \_\_\_\_\_ an important characteristic to look for in employees.
- A. kindness
  - B. integrity
  - C. attention to detail
  - D. physical fitness
100. Co-branding works best when two brands are
- A. owned by the same parent company.
  - B. complementary and more or less equal in stature.
  - C. fierce competitors.
  - D. in the same industry segment.





**KEY**

Test Number 1283

# Marketing Cluster Exam

AAM – Apparel and Accessories Marketing Series Event  
ASM – Automotive Services Marketing Series Event  
BSM – Business Services Marketing Series Event  
BTDM – Buying and Merchandising Team Decision Making Event  
FMS – Food Marketing Series Event  
IMCE – Integrated Marketing Campaign–Event  
IMCP – Integrated Marketing Campaign–Product  
IMCS – Integrated Marketing Campaign–Service  
MCS – Marketing Communications Series Event  
MTDM – Marketing Management Team Decision Making Event  
PSE – Professional Selling Event  
RMS – Retail Merchandising Series Event  
SEM – Sports and Entertainment Marketing Series Event  
STDM – Sports and Entertainment Marketing Team Decision Making Event

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## 1. A

By interpreting it correctly. Marketing-information managers can protect the integrity of the information they collect by interpreting it correctly and not manipulating it in such a way that it agrees with a predetermined conclusion. Protecting the integrity of marketing information is sometimes difficult because researchers often can make the information support either side of an issue depending on how they interpret it. Most researchers try to interpret the information correctly because consumers are sometimes suspicious of research findings that seem to support the opinions of the business that sponsors the research. Researchers do not protect the integrity of marketing information by reviewing it frequently, publishing it openly, or organizing it logically.

SOURCE: IM:025 Explain the role of ethics in marketing-information management

SOURCE: Fuggle, L. (2021, June 24). *The importance of data integrity for business*. Retrieved August 2, 2023, from <https://blog.hubspot.com/website/data-integrity>

## 2. B

The average U.S. male buys frozen pizza four times every 30 days. A measure of central tendency is a term used in marketing research that indicates the center of distribution. The number represents a value derived by a sample taken that falls between the lowest and highest value rating, which can be measured as mode, mean, or median. A mean is an average. The mean is determined by adding the sum of the data values and dividing by the number of values in the set (e.g., sample size). Specific distances between two points, members of a swim team, and increases in gasoline taxes state exact values and do not necessarily represent or state data in terms of averages.

SOURCE: IM:191 Explain the use of descriptive statistics in marketing decision making

SOURCE: Frost, J. (2023). *Mean, median, and mode: Measures of central tendency*. Retrieved August 2, 2023, from <https://statisticsbyjim.com/basics/measures-central-tendency-mean-median-mode/>

## 3. D

Opt-in email. Opt-in email refers to the electronic promotional messages that are sent with a recipient's permission and allows the recipient to request removal from the subscriber list at any time. Opt-in email is a good way for a business to promote goods and services because it allows the business to send information to customers who request the information. This method is also a quick and inexpensive way to send promotional messages. Unsolicited junk mail refers to promotional messages that customers do not request. Cookies are text files that are put on a website visitor's computer hard drive and then later retrieved during subsequent visits to the site in order to track internet behavior. Instant messaging is the ability to send, receive, and respond to computer messages in real-time.

SOURCE: PR:100 Describe the use of technology in the promotion function

SOURCE: Kajabi. (2023). *What is opt-in email marketing: Definition, example, and template*. Retrieved August 3, 2023, from <https://kajabi.com/blog/what-is-opt-in-email-marketing-definition-example-and-template>

## 4. D

Personal hygiene routine. Personal hygiene is the habits and practices of cleanliness and care that you perform regularly to take care of your body. Showering, applying deodorant, and brushing your teeth in the morning before you go to work are ways in which you maintain your personal hygiene, which affects your personal appearance. When you follow a routine to maintain your hygiene, you often feel better about yourself and your appearance, which can make you feel more confident at work. Your posture refers to the way you hold your body when sitting, standing, etc. Good diet and nutrition involves eating foods that are healthy for you. Your wardrobe is your clothing.

SOURCE: PD:002 Maintain appropriate personal appearance

SOURCE: LAP-PD-002—Brand Me (Personal Appearance)

5. A

Types of products being purchased. Businesses maintain a variety of records about the quantities and types of products that customers are purchasing. These records are usually known as sales records. By analyzing past sales records, businesses can determine what customers are buying, when they are buying, and how much they are buying. This helps a business forecast future sales so it can be prepared to offer the products that customers want. Businesses do not maintain customer sales records that contain information about the discounts offered by manufacturers, the cost of paying commissioned salespeople, or the suppliers that provide the goods.

SOURCE: NF:002 Maintain customer records

SOURCE: Entrepreneur. (2023). *Sales records*. Retrieved August 2, 2023, from <https://www.entrepreneur.com/encyclopedia/sales-records>

6. D

Incur fees and penalties. If you are not aware of the deposits and purchases in your checking account, you might incur fees and penalties for overdrawing your account or having a check bounce. Not keeping up with your checking account balance will not necessarily lead to having your identity stolen. You will not prevent fraudulent charges or challenge the bank's authority by not keeping up with the balance of your checking account.

SOURCE: FI:069 Maintain financial records

SOURCE: Tropical Financial Credit Union. (2023, August 2). *Tips to keep your checking account balanced*. Retrieved August 2, 2023, from <https://www.tropicalfcu.com/blog/tips-to-keep-your-checking-account-balanced>

7. C

Providing information to activists to share with others. Word-of-mouth promotion involves customers who tell others about their satisfaction with the business. Amplified word-of-mouth promotion involves the use of proactive efforts (campaigns) in which the business provides specific information to customers (activists) to pass along to their friends, family, and business contacts. On the other hand, organic word-of-mouth promotion occurs naturally. Because customers are satisfied with the business and its products, they tell others about this satisfaction in the course of normal conversation. For example, if a business shows a sincere interest in the customer by asking for feedback, taking actions to ensure customer loyalty, or improving products, the customer is likely to share those positive experiences with others.

SOURCE: PR:247 Describe word-of-mouth channels used to communicate with targeted audiences

SOURCE: Meyers, J. (2023). *What is word-of-mouth advertising?* Retrieved August 3, 2023, from <https://yourbusiness.azcentral.com/wordofmouth-advertising-5692.html>

8. A

Who pays the transportation charges. When placing orders with suppliers, businesses usually negotiate who pays the transportation charges. In some cases, businesses prefer to pay the transportation charges and own the goods while they are in transit. In other cases, it might be better for the business to have the supplier pay the charges and own the goods until they are delivered to the business. Because transportation charges may be high, negotiating who pays them is often a key factor when placing an order. Businesses usually are not concerned with which transportation service is used, who prepares the goods for shipment, or which warehouse is the most modern.

SOURCE: OP:016 Place orders/reorders

SOURCE: Murray, M. (2018, September 27). *Negotiation in the purchasing process*. Retrieved August 2, 2023, from <https://www.liveabout.com/negotiation-in-the-purchasing-process-2221379>

9. B

Sales promotion. Sales promotion activities include contests, couponing, displays, free samples, or rebates used to stimulate purchases. The Disney contest is, therefore, sales promotion. Publicity is any nonpersonal presentation of ideas, goods, or services that is not paid for by the company or individual which receives it. Advertising is any paid presentation of ideas, goods, or services. Personal selling involves planned personalized communication.

SOURCE: PR:001 Explain the role of promotion as a marketing function

SOURCE: LAP-PR-901—Razzle Dazzle (Nature of Promotion)

10. D

Coordinate a regional advertising campaign. Channel members are all of the businesses and individuals that assist in moving goods and services from the producer to the consumer. In many situations, producers will assist other channel members (e.g., dealers, distributors, retailers) in sales promotions. One way to assist channel members planning a sales promotion in a certain area is by providing resources (e.g., money, product samples) to develop an advertising campaign. The goal of the advertising campaign is to communicate information about the sales promotion to consumers in order to stimulate interest and sales. The producer may provide assistance by developing new products and identifying market trends, but these activities do not relate to a specific sales promotion. An accounting system refers to the methods and procedures a business uses in handling its financial information.

SOURCE: CM:007 Coordinate channel management with other marketing activities

SOURCE: Featured. (2023, January 5). *Why is channel management important for successful marketing?*

Retrieved August 2, 2023, from <https://blog.featured.com/why-is-channel-management-important-for-successful-marketing/>

11. D

When to offer a discount on the product. Pricing strategies include determining what to charge for a product and also determining when to adjust the product's price by either raising it or offering a discount. Determining how much to spend on advertising is a promotional decision. Determining how much of the product to create is a distribution or place decision. Determining what products to offer is a product decision.

SOURCE: IM:012 Describe the need for marketing data

SOURCE: LAP-IM-012—Data Do It (Need for Marketing Data)

12. C

Metaphors and analogies. Creative thinking involves making connections among things. By using metaphors and analogies in different synectics techniques, people can begin to see relationships among things. Use of different colored hats occurs with the Six Thinking Hats technique. Mind maps involve the use of a big sheet of paper on which you'd write a topic in the middle of the page and draw associations with related words. With brainstorming, people throw out their ideas to the group without evaluating the quality of the ideas.

SOURCE: PM:127 Identify methods/techniques to generate a product idea

SOURCE: LAP-PM-127—Unleash Your Mind (Techniques for Generating Product Ideas)

13. C

The policyholder can borrow the policy's cash value. A whole life insurance policy builds cash value as the policyholder pays premiums at regular intervals. If, at some point, the policyholder needs a loan, they can borrow the cash value of the policy. Universal life insurance combines death benefits with an investment and savings plan that earns interest at current market rates. Whole life insurance rates are higher than term insurance rates because term insurance only pays death benefits if the policyholder dies during the set period of time covered by the policy.

SOURCE: FI:081 Describe the concept of insurance

SOURCE: Rose, G. (2023, May 10). *Term life vs. whole life insurance: Differences and how to choose*. Retrieved August 2, 2023, from <https://www.nerdwallet.com/article/insurance/term-vs-whole-life-insurance>

14. D

To prevent technical barriers to trade. By establishing worldwide industry standards, technical barriers to trade are minimized because products meet the same standards. This encourages competition between countries and increases markets. Standards also economically assist developing countries by improving productivity, market competitiveness, and export capability. International standards do not affect patents, copyrights, or trademarks.

SOURCE: PM:019 Describe the uses of grades and standards in marketing

SOURCE: International Organization for Standardization. (2023, March 13). *Benefits of standards*. Retrieved August 3, 2023, from <https://www.iso.org/benefits-of-standards.html>

15. D

Industrial user. An industrial user is a business that buys materials, services, or goods that will be used to make other goods or which will be used in the operation of the company. A retailer is a business that buys goods and sells them to the final consumer. Agents are intermediaries who assist in the sale of goods but do not take title to them. Wholesalers are intermediaries who buy goods from producers or agents and resell them to other businesses.

SOURCE: CM:003 Explain the nature of channels of distribution

SOURCE: LAP-CM-003—Channel It (Channels of Distribution)

16. A

Intrinsic motivation is generally more effective than extrinsic motivation. Intrinsic motivation comes from within the individual and is a result of the work or task itself. Extrinsic motivation comes from outside the individual and their work or task. In most developed countries, people tend to have access to basic necessities like food and shelter. As a result, extrinsic motivation isn't as effective as intrinsic motivation.

SOURCE: EI:059 Motivate team members

SOURCE: LAP-EI-059—Raise Them Up (Motivating Others)

17. B

A tour of the business. New employee orientation usually includes activities that will provide new employees with information about the business. Orientation also helps put new employees at ease and helps eliminate many of their anxieties about their new surroundings. Reviewing the employee's resume and contacting the employee's references are usually done before the business hires the employee. A performance appraisal is a tool that evaluates how well the employee performs their job duties. Employees receive performance appraisals after they have worked for a certain amount of time.

SOURCE: HR:360 Orient new employees

SOURCE: Bamboo HR. (2023). *New hire orientation*. Retrieved August 2, 2023, from <https://www.bamboohr.com/resources/hr-glossary/employee-orientation>

18. B

Rising sales. A product in the growth stage of the product life cycle has been accepted by consumers, and sales are increasing. Product production is more efficient at this stage, resulting in lower costs of production. Distribution expands as the market expands. Obsolescence does not begin until the product is in late maturity or decline.

SOURCE: PM:024 Identify the impact of product life cycles on marketing decisions

SOURCE: Kopp, C.M. (2023, March 16). *Product life cycle explained: Stage and examples*. Retrieved August 3, 2023, from <https://www.investopedia.com/terms/p/product-life-cycle.asp>

19. B

Evaluated. An effective budget is one that is evaluated regularly. The real value of a budget comes in using it to assess the company's progress in achieving its goals. A budget must be evaluated from time to time to move the business forward. Budgets should not be optimistic; rather, they should be realistic. It's important to base budgets on realistic estimates. If a business isn't honest with its budget, the budget won't be very helpful. Because budgets are estimates, it's crucial that they remain flexible. There will always be factors outside a business's control that may require a change in the budget. Budgets shouldn't be secretive; instead, they should be clearly communicated with all employees. When each person in the company is aware of their effect on the company's profits, they will be more motivated to be cost-conscious.

SOURCE: FI:106 Describe the nature of budgets

SOURCE: LAP-FI-106—Money Tracks (Nature of Budgets)

20. A

Personal commitment. New business ventures require owners to work long and irregular hours to get their businesses up and running. This often interferes with their personal and family time. If a business owner is not willing to commit their time and energy to the venture, the venture is likely to fail. There is not enough information about Marissa's financial resources, her level of self-confidence, or her ability to effectively solve problems to determine if these factors played a role in the failure of her business.

SOURCE: PD:066 Explain career opportunities in entrepreneurship

SOURCE: LAP-PD-066—Own Your Own (Career Opportunities in Entrepreneurship)

21. D

Causal. Marketing research that focuses on cause and effect and tests “what if?” theories is called causal research. Causal research is typically completed by conducting experiments or simulations, which must be carefully designed and tightly controlled. This type of research is often very expensive. Examples of causal research include test marketing, allowing customers to shop in a simulated store and recording their actions, and conducting a clinical trial for a new medication. Exploratory research collects information to help the business define its issue, situation, or concern and decide the direction in which to go to address it. Descriptive research (also referred to as statistical research) gathers specific information related to an identified issue, situation, or concern.

SOURCE: IM:284 Describe methods used to design marketing research studies (i.e., descriptive, exploratory, and causal)

SOURCE: LAP-IM-284—Better by Design (Marketing Research Designs)



22. C

Building on someone else's comment. Jon is building on Marilee's comment by stating that his department has a similar problem. He adds to Marilee's statement by suggesting that the company form an internal committee to look into the problems. Jon is not summarizing what has been said, nor is he pointing out missing information. Ground rules are established before the meeting gets underway.

SOURCE: CO:053 Participate in group discussions

SOURCE: UNSW Sydney. (2022, March 28). *Guide to discussion skills*. Retrieved August 2, 2023, from <https://www.student.unsw.edu.au/discussion-skills>

23. B

A juror believes a defendant is guilty before the trial begins. Prejudice is an opinion or judgment that is based on feeling or hearsay, rather than fact. If a juror already has a feeling that the defendant is guilty, without any facts or proof before the trial begins, this is prejudice. There is no indication that the classmates who have compared grades and realized their teacher is unfair are prejudiced. If Arnie rarely hires women to work as engineers for his company, that is discrimination rather than prejudice because it is an action rather than an opinion or judgment. A taxi driver who refuses to pick up passengers of a certain ethnicity is also discriminating rather than just demonstrating prejudiced feelings.

SOURCE: EI:017 Recognize and overcome personal biases and stereotypes

SOURCE: LAP-EI-917—Don't Jump to Conclusions! (Recognizing and Overcoming Personal Biases and Stereotypes)

24. C

Fortitude. Fortitude is courage and endurance. In situations that are uncertain, a person with fortitude maintains their strength no matter what goes wrong. Trisha is demonstrating fortitude by refusing to give up. Trisha is not necessarily demonstrating open-mindedness, caution, or creativity.

SOURCE: EI:092 Develop tolerance for ambiguity

SOURCE: LAP-EI-092—Embrace the Unknown (Developing a Tolerance for Ambiguity)

25. B

Privacy. Information management is the process of accessing, processing, maintaining, evaluating, and disseminating knowledge, facts, or data for the purpose of assisting business decision-making. Some of this information may be personal data that businesses obtain about their employees, customers, suppliers, etc. Individuals have the right to expect that the privacy of their personal information will be maintained. Businesses that are ethical do everything they can to protect private information and make sure it is not misused or made available to unauthorized users. Safety is freedom from danger or risk. Dignity is a high degree of calmness and self-possession. Equity is fairness.

SOURCE: NF:111 Explain the role of ethics in information management

SOURCE: Osano. (2023, January 24). *What is data privacy management?* Retrieved August 2, 2023, from <https://www.osano.com/articles/data-privacy-management>

26. D

Vertical staff members. Vertical staff members refers to all employees who are not in management. Ticket takers, security guards, guest relations representatives, and merchandise sales personnel are examples of employees who might provide insight when conducting risk assessment. For example, sales personnel can provide information regarding shoplifting and its risks. By gathering as much information as possible from staff members, sports/event organizations can conduct comprehensive risk assessments in many areas and develop appropriate procedures to handle each situation or issue. Public relations agencies are hired by a business to develop and manage public relations activities for the business. Financial consultants are hired by a business to manage the business's financial matters. Local personnel inspector is not a term widely used by sports/event organizations.

SOURCE: SM:076 Conduct a risk assessment of an event

SOURCE: Indeed. (2023, February 20). *Comparing horizontal vs. vertical organizational structures*. Retrieved August 2, 2023, from <https://www.indeed.com/career-advice/career-development/horizontal-vs-vertical-organizational-structure>

27. A

Disclosure. When a business violates a government regulation, corrective action is the manner in which the government requires the business to put right or fix the wrongdoing. Affirmative disclosure is a type of corrective action in which the government orders the advertiser to include product information in future advertisements that it omitted in its previous advertisements. An endorsement is approval by a reputable external source. A testimonial is a statement by an identified product user proclaiming the benefits received from the use of the product. A briefing is an update or status report.

SOURCE: PR:101 Describe the regulation of promotion

SOURCE: UpCounsel. (2023). *Affirmative disclosure: Everything you need to know*. Retrieved August 3, 2023, from <https://www.upcounsel.com/affirmative-disclosure>

28. C

Hinder competition. Antitrust laws are regulations that prevent a person or company from taking any actions to restrain free trade and competition in the marketplace. Businesses should understand the types of business activities that violate antitrust laws, so they do not engage in them. If a business requires tying agreements or attempts to create a monopoly, it may be violating antitrust laws. The government fines a business when it violates antitrust laws. Actions that restrict efficiency or prohibit authority do not violate antitrust laws.

SOURCE: CM:005 Explain legal considerations in channel management

SOURCE: Twin, A. (2023, January 21). *Antitrust laws: What they are, how they work, major examples*. Retrieved August 2, 2023, from <https://www.investopedia.com/terms/a/antitrust.asp>

29. C

All the necessary information. When preparing written communication, one of the most important rules is to be thorough and provide all the necessary information because the receiver may not have the opportunity to ask questions in person. Letters confirming customer orders should answer the questions of who, what, when, and where by including specific information about ordered items, quantity, delivery address, etc. The letters should contain all the necessary information to verify that what the business intends to provide is exactly what the customers have requested. Whether product ratings and grades, exchange rates, and a map of all business locations are necessary information to include in a confirmation letter depends on the type of business and the customer's needs.

SOURCE: CO:016 Explain the nature of effective written communications

SOURCE: Indeed. (2023, February 27). *12 templates to use when writing letters to clients (with tips)*. Retrieved August 2, 2023, from <https://www.indeed.com/career-advice/career-development/letters-to-clients>



30. C

Entertainment guidelines. During the selling process, salespeople often encounter situations that are not clearly right or wrong. Salespeople tend to judge these situations differently—according to their personal code of ethics. One of the questionable situations that salespeople might encounter involves entertaining customers. While some businesses view entertainment as a way to build positive customer relationships, others view it as favoritism or bribery. By developing entertainment guidelines for their salespeople, businesses can clearly communicate acceptable and unacceptable entertainment activities. A promotional budget is a forecast of the money that the business plans to spend on promoting its goods and services during a certain timeframe. Diversity training manuals are designed to help employees understand diversity issues in the workplace. Product delivery policies are the business's guidelines for delivering products to its customers.

SOURCE: SE:106 Explain legal and ethical considerations in selling

SOURCE: LAP-SE-106—Keep It Real—In Sales (Legal and Ethical Considerations in Selling)

31. D

Code of conduct. A code of conduct is a set of rules and standards that govern the expected practices, decisions, procedures, and systems within an organization. Codes of conduct typically address topics such as conflicts of interest, harassment, discrimination, use of property, confidentiality, etc. An operating statement, also known as an income statement, summarizes a business's income and expenses over a period of time. An annual report is a document outlining the financial status of a business. A mission statement is a brief summary of what a business owner wants a business to be doing.

SOURCE: PD:251 Follow rules of conduct

SOURCE: LAP-PD-251—Know the Code (Following Rules of Conduct)

32. B

Toothpaste. Mass marketing is designing products and directing marketing activities to appeal to the whole market. Of the items listed, toothpaste is the most likely to be marketed in this manner because it appeals to and is used by many types of consumers. The market for diapers would be limited to those with babies and toddlers. The market for toy trucks would be limited to children and teens. The market for winter coats would be limited to individuals who live and work in cold climates.

SOURCE: MP:003 Explain the concept of market and market identification

SOURCE: LAP-MP-003—Have We Met? (Market Identification)

33. A

People. Human resources, people, are the most important economic resource because they combine the other resources to produce goods and services. Without the work of people, land would not be used to grow crops, roads would not be built, and equipment would not be used to manufacture goods. Minerals and energy are natural resources. Equipment is capital goods.

SOURCE: EC:003 Explain the concept of economic resources

SOURCE: LAP-EC-903—Be Resourceful (Economic Resources)

34. C

Convenience. A convenience good or service is a consumer product purchased quickly and without much thought or effort. It may be a staple item, such as bread, or an impulse item. When buying shopping goods and services, consumers compare products and stores by "shopping around" to get the best quality, price, or service. Specialty goods and services are items that have special or unique characteristics that customers are willing to exert special efforts to obtain. Installation is a category of industrial goods and services.

SOURCE: EC:002 Distinguish between economic goods and services

SOURCE: LAP-EC-902—Get the Goods on Goods and Services (Economic Goods and Services)

35. C

By creating desire for products. Possession utility is usefulness created when ownership of a product is transferred from the seller to the user. Skilled salespeople are able to create desire for products by discussing product features and benefits, thereby encouraging possession utility. Selling also helps keep our economy moving, increase competition, and affect employment, but those factors are not related to possession utility.

SOURCE: SE:017 Explain the nature and scope of the selling function

SOURCE: LAP-SE-017—Sell Away (The Nature and Scope of Selling)

36. C

Reporting noncompliance. Certain government agencies have developed health and safety regulations that businesses are expected to follow to provide employees with a safe work environment. If businesses do not comply with these regulations, they should be reported for noncompliance so the necessary action can be taken to solve the problem and make the workplace safe for employees. The goal is to correct dangerous situations and keep the workplace safe. An employee notifying a government agency is not an example of spreading gossip, unethical behavior, or verbal communication. In fact, the employee is exhibiting ethical behavior. Also, the employee may have notified the agency in writing, which is nonverbal communication.

SOURCE: OP:005 Report noncompliance with business health and safety regulations

SOURCE: OSHA Education Center. (2023). *How to report labor violations*. Retrieved August 2, 2023, from <https://www.oshaeducationcenter.com/articles/reporting-labor-violations/>

37. D

Product. Product promotion aims to persuade consumers to buy a good or service. Coca-Cola is promoting its soft drink. Coca-Cola is not promoting the specific company. Service and taste are not types of promotion.

SOURCE: PR:002 Explain the types of promotion (i.e., institutional, product)

SOURCE: LAP-PR-902—Know Your Options (Product and Institutional Promotion)

38. B

Partnership. A partnership is a form of business ownership in which the business is owned by two or more persons. Often, the purpose of forming a partnership is to combine the capital, the experience, or the abilities of the partners. A corporation is a form of business ownership owned by stockholders who have purchased stock. A franchise is an agreement between a parent company and a franchisee to distribute goods and services. A merger is when two individual businesses combine to form one organization.

SOURCE: BL:003 Explain types of business ownership

SOURCE: LAP-BL-003—Own It Your Way (Types of Business Ownership)

39. C

Collection letter. A collection letter is a type of persuasive message that many businesses write to customers who are delinquent in making payments on their accounts. The purpose of the collection letter is to persuade customers to send payment or to contact the business to make some type of arrangement. Collection letters should not offend customers but should convince them to respond immediately. Many businesses write emails, handwritten notes, and interoffice memos, but these types of messages are not necessarily persuasive.

SOURCE: CO:031 Write persuasive messages

SOURCE: Indeed. (2023). *Letters of collection: Tips for small businesses (with template)*. Retrieved August 2, 2023, from <https://www.indeed.com/hire/c/info/letters-of-collection>

40. C

Primary data. Primary data are collected specifically for the problem or project at hand. They may be used to solve a problem, to explore an opportunity, or for any other purpose useful to the business. Marketing research is the systematic gathering, recording, and analyzing of data about a specific problem. Data analysis is the process of evaluating information. A situation analysis is a determination of a firm's current business situation and the direction in which the business is headed.

SOURCE: IM:001 Explain the nature and scope of the marketing-information management function

SOURCE: LAP-IM-001—Get the Facts Straight (Marketing-Information Management)

41. C

A company donates a portion of its proceeds to charity each year. Many people believe that businesses have a moral obligation to give back to their communities. This is called corporate social responsibility, and an example is a company donating a portion of its proceeds to charity each year. Providing vacation time to employees is a nice gesture, but it is not necessarily an example of a company giving back to its community. Return policies and public relations campaigns are not examples of corporate social responsibility.

SOURCE: EN:044 Describe the use of business ethics in entrepreneurship

SOURCE: LAP-EN-044—Ethical Excellence (Ethics in Entrepreneurship)

42. C

Increased sales volume. A clientele is a group of regular, repeat customers. An increase in sales is a direct result of building a clientele. Loyal customers return to buy regularly, thus providing the financial backbone for a growing business. Building a clientele helps reduce selling costs, not increase them. Personal satisfaction and increased knowledge are salesperson benefits of building a clientele, not business benefits.

SOURCE: SE:828 Explain key factors in building a clientele

SOURCE: LAP-SE-828—Keep Them Loyal (Key Factors in Building Clientele)

43. A

Doing routine housekeeping. Initiative is the willingness to act without having to be told to do so. An employee who demonstrates initiative by carrying out tasks without being asked to do so is appreciated by most employers. The other alternatives are personal activities that should be carried out in the employee's free time.

SOURCE: EI:024 Demonstrate initiative

SOURCE: LAP-EI-240—Hustle! (Taking Initiative at Work)

44. A

Price fixing. Price fixing is an illegal business agreement in which businesses agree on prices of their goods or services, resulting in little choice for the customer. Because the businesses are coordinating their prices, this is an example of price fixing. Predatory pricing is the illegal practice of setting prices unrealistically low to eliminate competition. Price discrimination is the practice in which a business charges different customers different prices for the same product. This is not an example of predatory pricing or price discrimination. Black-market pricing is a fictitious term.

SOURCE: PI:015 Describe the role of business ethics in pricing

SOURCE: LAP-PI-015—Pricing With Purpose (Ethics in Pricing)

45. A

Product placement. Product placement is a sales-promotion strategy in which a product or brand is mentioned or used as a prop by types of media such as TV, film, or the theater. For example, fans of the TV series *Friday Night Lights* will often see the characters eat in an Applebee's restaurant. The intent of product placement is to generate and reinforce brand awareness with a target market. Brand identification is the process by which all of the branding elements work together to generate instant consumer recognition of a company or product. The use of props in TV shows and movies is not called product programming.

SOURCE: PR:249 Identify communications channels used in sales promotion

SOURCE: Shopify. (2023, July 12). *How does product placement work? Examples and benefits*. Retrieved August 3, 2023, from <https://www.shopify.com/blog/product-placement>

46. D

Using tamper-resistant packaging. Many businesses produce products that might be harmful to consumers if the products are tampered with or become contaminated. To protect consumers, businesses often use tamper-resistant packaging which makes it extremely difficult for someone to get to the product without damaging the packaging. As a result, customers are able to easily determine if this type of packaging has been tampered with, which warns them not to buy the products. Using tamper-resistant packaging is an ethical procedure that businesses follow in an effort to protect their products and ensure the safety of their customers. Products usually are not wrapped in plain paper. Placing informative commercials on TV and explaining the new manufacturing process are not ways of protecting consumers.

SOURCE: PM:040 Explain business ethics in product/service management

SOURCE: Container and Packaging. (2021, July 16). *What is tamper-resistant packaging?* Retrieved August 3, 2023, from <https://www.containerandpackaging.com/resources/what-is-tamper-resistant-packaging>

47. B

Competition. Because product quality and price can easily be matched, customer service becomes a key component in business competition. In selling, customer service is where the real competition among businesses begins. As a salesperson, you need to show your prospects that your company meets (and hopefully exceeds) customer service expectations. Customer service is not a key component in business careers, business communication, or business forecasts.

SOURCE: SE:076 Explain the role of customer service as a component of selling relationships

SOURCE: LAP-SE-076—Go Beyond the Sale (Customer Service in Selling)

48. C

Truth. Individuals with honesty and integrity are truthful to others. Ethics are the basic principles by which you live—the philosophy that guides your behavior. Deception is the opposite of truthful, authentic, and honorable. An error is a mistake.

SOURCE: EI:022 Demonstrate honesty and integrity

SOURCE: LAP-EI-138—Sincerely Yours (Demonstrating Honesty and Integrity)

49. A

Business selling computer, printer, and ink cartridges as a unit. Product bundling involves combining several products and offering them to customers as one product. Usually, the bundled products are offered for one, all-inclusive price. An example is a business selling a computer, a printer, and ink cartridges as a unit. In many cases, the bundle is less expensive than the cost of each item sold separately. Sometimes, the products can only be purchased as a unit and are not available separately. A lumber company selling wood chips as small-animal bedding is an example of selling by-products. A theme park charging admission and then selling ride tickets is an example of two-part pricing. A garden shop discounting prices of seasonal merchandise is an example of adjusting prices.

SOURCE: PM:041 Describe the nature of product bundling

SOURCE: Leonard, K. (2018, October 23). *Product bundling strategy*. Retrieved August 3, 2023, from <https://smallbusiness.chron.com/product-bundling-strategy-41789.html>

50. A

Credit. There are different kinds of credit accounts that allow customers to buy now and pay later. These include budget accounts, which are usually short-term credit arrangements, but the sales are not referred to as budget sales. In a cash sale, the full price is paid at the time of purchase. A layaway sale is a type of credit sale in which the customer does not take possession of the good or service until all payments have been made.

SOURCE: FI:002 Explain the purposes and importance of credit

SOURCE: LAP-FI-002—Give Credit Where Credit Is Due (Credit and Its Importance)

51. D

Testimonials. Testimonials from customers are useful during the selling process. Satisfied customers are often a good source of information about products. Their comments, or testimonials, can be of value in making future sales. Catalogs, manuals, and other promotional materials are provided by the business or manufacturer.

SOURCE: SE:109 Analyze product information to identify product features and benefits

SOURCE: LAP-SE-109—Find Features, Boost Benefits (Feature-Benefit Selling)

52. A

Adapt his communication style to match the culture he is visiting. It's important to show respect for the people you are visiting by adapting your communication style to match the culture you are in. By doing research and learning about the "high-context" culture of Asia, Jason will not be alarmed if his Chinese business partners do not speak as clearly and specifically as he would like. He can also tailor his own remarks to better suit the Chinese style of communicating, instead of the clear and explicit method of communicating that he is used to in America. This type of cultural preparation is not for the purpose of looking like a "know-it-all" or to show other people that one way of communicating is superior to another.

SOURCE: CR:019 Adapt communication to the cultural and social differences among clients

SOURCE: Mecozzi, V. (2017, January 10). *Communicating across cultures*. Retrieved August 2, 2023, from <https://www.thnk.org/insights/communicating-across-cultures/>

53. D

By identifying consumers' wants and needs. The marketing concept is a philosophy of conducting business that is based on the belief that all business activities should be aimed toward satisfying consumer wants and needs while achieving company goals. Marketing research helps the business implement the marketing concept by providing it with information about what consumers want, need, and are likely to buy. Marketing research cannot solve a business's problems or prevent financial losses. The business sets its own goals which may or may not be based on marketing-research information.

SOURCE: IM:010 Explain the nature of marketing research

SOURCE: LAP-IM-010—Seek and Find (Marketing Research)

54. B

Think about what you want to learn. Before beginning to read, it is important to know what you are hoping to learn from reading the text and what you will hope to know after you complete your reading. This will help guide your reading and increase your comprehension. Taking notes is an active reading strategy that you should use while reading, rather than before. Consulting a glossary is a strategy that you can use while reading to increase your understanding of technical or challenging vocabulary. Finally, summarizing is a tactic that can help with comprehension and retention after you have finished reading.

SOURCE: CO:055 Extract relevant information from written materials

SOURCE: Princeton University. (2023). *Active reading strategies: Remember and analyze what you read*. Retrieved August 2, 2023, from <https://mcgraw.princeton.edu/undergraduates/resources/resource-library/active-reading-strategies>

55. B

Snowball sampling. Snowball sampling, also called referral sampling, is a method in which researchers ask respondents to help them identify and recruit additional respondents for the study. It is useful for target populations that are very small, specific, or hard to reach. Cluster sampling is a probability sampling method in which researchers divide the target population into non-overlapping subpopulations that are determined by geography and then randomly sample each one. Stratified random sampling is a probability sampling method in which researchers break the target population down into non-overlapping groups and draw simple random samples from each one. Convenience sampling is a non-probability sampling method in which researchers choose respondents based on opportunity.

SOURCE: IM:285 Discuss the nature of sampling plans (i.e., who, how many, how chosen)

SOURCE: LAP-IM-285—Take Your Pick (Nature of Sampling Plans)

56. C

Encourage overwhelmed employees. In times of crisis, business leaders are needed to encourage overwhelmed employees and help the organization weather the storm. A crisis isn't the time to provide a new vision or to lead change—these tasks are better accomplished when the business is stable. Getting the business off the ground is an important leadership task when a business is just starting up.

SOURCE: EI:009 Explain the concept of leadership

SOURCE: LAP-EI-909—Lead the Way (Concept of Leadership)

57. D

The profit motive. The main reason individuals are willing to assume the risks involved in business ventures is the hope of making a profit. This is the motivation for entering business which is called the profit motive. The situation does not describe Omar's desire to move or his knowledge of golf. It also does not refer to the climate.

SOURCE: EC:010 Identify factors affecting a business's profit

SOURCE: LAP-EC-910—Risk Rewarded (Factors Affecting Profit)

58. C

Positioning. Positioning creates a certain image or impression of a product in the minds of consumers. Stouffer's is positioning for the target market. Alteration is a product-mix strategy in which a business makes changes to its existing products or product lines. Incorporation is the process of legally structuring a business as a corporation. Depth of a product mix refers to the number of products and the assortment of sizes, colors, and models offered in a product line.

SOURCE: PM:042 Describe factors used by marketers to position products/services

SOURCE: Snyder, R. (2023). *The power of product positioning and the "7Ps" marketing mix*. Retrieved August 2, 2023, from <https://280group.com/product-management-blog/the-power-of-product-positioning-and-the-7-ps-marketing-mix/>

59. A

Meeting rooms with doors. Space is tight in many businesses, and employees often are required to share offices or work in small cubicles that are noisy or in plain view of others. These types of office arrangements frequently create privacy problems because employees do not have quiet, secluded places to perform their tasks or make sensitive phone calls. Many businesses solve this problem by providing meeting rooms with doors that employees can use to discuss sensitive information with coworkers, talk freely with customers, or be alone to prepare important reports. Individual cubicles create privacy problems because they are usually close together and offer no barrier to noise. Cafeterias and recreational facilities often are crowded and noisy and do not provide private areas for employees.

SOURCE: EI:029 Respect the privacy of others

SOURCE: Mick, B. (2017, March 15). *Defining privacy for the future of workspace design*. Retrieved August 2, 2023, from <https://www.workdesign.com/2017/03/defining-privacy-future-workspace-design/>

60. A

Improved communication skills. When you are able to respect and appreciate other peoples' unique viewpoints, you can have constructive dialogue with people of all backgrounds. You will not necessarily be given less responsibility at work or enjoy increased popularity in your social circles by exposing yourself to conflicting viewpoints. Being exposed to conflicting viewpoints does not give you the ability to win arguments easily.

SOURCE: EI:136 Consider conflicting viewpoints

SOURCE: LAP-EI-136—Pick a Side (Considering Conflicting Viewpoints)

61. B

Employee handbook. Businesses often develop employee handbooks that provide information about their general policies and procedures. For example, a business might outline overtime and vacation policies, disciplinary and grievance procedures, pay schedules, dress codes, and behavioral expectations in its employee handbook. Employee handbooks are usually given to new employees when they first start their jobs. Productivity manuals, customer newsletters, and personnel records are not sources that workers use to obtain information about a company's general policies and procedures for employees.

SOURCE: CO:057 Analyze company resources to ascertain policies and procedures

SOURCE: Clarke, V. (2019, September 25). *How to write an employee handbook [Examples + tips]*. Retrieved August 2, 2023, from <https://venngage.com/blog/employee-handbook-examples/>

62. D

Broadcast media. Broadcast media, such as radio, internet, and TV, are especially effective at reaching teenage audiences. Print media, such as newspapers and magazines, are most effective in reaching adult audiences. Most direct mail, such as letters and catalogs, generally target adults. Specialty advertising, categorized as "other media," are giveaway items such as pens, matchbooks, calendars, or keyrings embossed with a company's name, logo, or promotional message.

SOURCE: PR:007 Explain types of advertising media

SOURCE: LAP-PR-007—Ad-quipping Your Business (Types of Advertising Media)



63. D

Ben reads a trade magazine. Secondary data are information collected for purposes other than the project at hand. Reading a trade magazine can provide researchers with secondary information about trends, statistics, and regulations about a specific trade or industry. Interviewing a client, following up with a customer, and distributing a survey are ways in which businesses often collect primary data.

SOURCE: IM:281 Describe options businesses use to obtain marketing research data (i.e., primary and secondary research)

SOURCE: Indeed. (2022, July 22). *Primary vs. secondary data in market research: Definitions and differences*. Retrieved August 2, 2023, from <https://www.indeed.com/career-advice/career-development/primary-vs-secondary-data-market-research>

64. D

Work in various locations. The increased use of computers and telecommunications equipment is changing the way many companies operate and do business. At one time, most employees worked in one location and communicated with others through written memos and phone calls. Today, computers and telecommunications equipment allow many employees to work in various locations and maintain contact with coworkers, managers, and customers. For example, an employee with a laptop can work from home, while traveling by air to an appointment, while conducting business in a foreign country, or while relaxing at the beach. Routine tasks often do not necessarily involve the use of computers or telecommunications equipment. The increased use of computers and telecommunications equipment does not necessarily allow employees to participate in management or encourage them to compete with coworkers.

SOURCE: NF:013 Describe current business trends

SOURCE: Hamington, N. (2023, April 12). *Communication technology and inclusion will shape the future of remote work*. Retrieved August 2, 2023, from <https://www.businessnewsdaily.com/8156-future-of-remote-work.html>

65. D

Evaluated the idea. Brainstorming is a creative-thinking activity that businesses often use to generate product ideas. Many businesses find that it is beneficial to have several employees involved in the process because that helps generate a lot of different ideas. The facilitator is a person who guides the brainstorming session. The facilitator helps keep the members of the group brainstorming session on track. This person keeps order, encourages participation, fosters a creative environment, and documents the ideas for further review. The facilitator should not evaluate the ideas or initiate debate during a brainstorming session. These actions may hinder the creative-thinking process and discourage group members from participating. Jiang did not ignore Isla, but provided his opinion of her idea. There is not enough information provided to determine if Jiang exceeded the brainstorming time limit or asked others for their opinions.

SOURCE: PM:128 Generate product ideas

SOURCE: Mind Tools. (2023). *Brainstorming*. Retrieved August 3, 2023, from <https://www.mindtools.com/acv0de1/brainstorming>

66. A

Selling an item for \$500. In a contract, consideration is what one party gives or receives in exchange for something else. If a person contracts with another person to sell an item for a certain amount, the consideration is giving up the item in exchange for \$500. In this situation, the buyer's consideration is the \$500 paid for the item. Consideration is not putting the price in writing, promising to make a gift, or giving away an item worth \$500.

SOURCE: BL:002 Describe the nature of legally binding contracts

SOURCE: Cornell Law School. (2022, July). *Consideration*. Retrieved August 2, 2023, from <https://www.law.cornell.edu/wex/consideration>



67. A

Investors prefer to invest in companies they perceive as ethical. Unethical business practices may lower a company's stock prices because investors prefer to invest in companies they perceive as ethical. When a company loses investors and has a negative public image, its stock prices will suffer. The government does not always fine unethical companies. Employees resigning from an unethical company will not necessarily affect its stock prices. Unethical companies *sometimes* go bankrupt, but not always.

SOURCE: EC:106 Explain the nature of business ethics

SOURCE: LAP-EC-106—On the Up and Up (Business Ethics)

68. A

Less efficient. Spending a lot of time on customer complaints can cause a business to be less efficient, and therefore, less profitable. It's important for businesses to set up systems to deal with customer complaints swiftly and effectively. The amount of time spent on complaints will not necessarily make a business either unpopular or more successful.

SOURCE: CR:010 Handle customer/client complaints

SOURCE: LAP-CR-010—Righting Wrongs (Handling Customer Complaints)

69. B

Customers changing their habits. The changing nature of the marketing environment brings with it many opportunities for businesses. One of the purposes of conducting a situational analysis is to identify possible opportunities in the business environment. An example of a possible opportunity is a change in customers' habits. If an analysis indicates that customers are buying more of one type of product and that the trend will continue, a business can take advantage of the change by providing that type of product. However, to be prepared to take advantage of such opportunities, a business first must analyze the environment to determine exactly what those opportunities are. A situational analysis also indicates possible threats to the business. Examples of threats include suppliers raising their prices and a decline in economic conditions. Increases in operating expenses is an internal problem.

SOURCE: MP:008 Explain the role of situation analysis in the marketing planning process

SOURCE: Lorette, K. (2019, February 12). *A situational analysis of a strategic marketing plan*. Retrieved August 2, 2023, from <https://smallbusiness.chron.com/situational-analysis-strategic-marketing-plan-1474.html>

70. D

Conducting exploratory research. Exploratory research is marketing research that collects information to help the business define its issue, situation, or concern and decide which direction to go in order to address it. Surveys that consist of open-ended questions require respondents to provide more than a "yes" or "no" answer. An open-ended question is a type of unstructured question that allows a respondent the opportunity to express opinions, state issues, and provide ideas. By obtaining this type of in-depth, qualitative information, the researcher may be able to define the problem and determine in which direction to proceed with the research. Long and technical surveys tend to overwhelm the respondents, so open-ended questions may not be answered fully, if at all. The use of open-ended questions yields subjective responses that are based on opinions and personal feelings.

SOURCE: IM:293 Evaluate questionnaire design (e.g., types of questions, question wording, routing, sequencing, length, layout)

SOURCE: Qualtrics. (2023). *Your quick guide to open-ended questions in surveys*. Retrieved August 2, 2023, from <https://www.qualtrics.com/experience-management/research/open-ended-questions/>

71. B

Horizontal conflict. Horizontal conflict occurs between channel members at the same level, such as when two middlemen on the same level compete to sell the same manufacturer's product to the same target market. Vertical conflict occurs between channel members at different levels within the same channel. Usually, vertical conflict occurs between producers and wholesalers or producers and retailers. Conflict of interest is a situation in which it is impossible to be truly impartial. Conflict of needs is a situation that occurs when a customer needs two or more items at the same time but can afford only one.

SOURCE: CM:001 Explain the nature and scope of channel management

SOURCE: LAP-CM-001—Chart Your Channels (Channel Management)

72. B

Track and record his expenses. Realistic personal budgets involve two important considerations—income (money Marcel receives) and expenses (money Marcel spends). It is important for Marcel to track his expenses because he needs to make sure that he has enough income to pay for his bills (e.g., rent, utilities, car). To track his spending, Marcel should record his expenses in a central location so he can see bill amounts and bill due dates. Recording and keeping receipts is also important for tax reporting purposes and for tax auditing situations. Developing a realistic budget does not always involve verifying a past credit rating or consulting with a bookkeeper. Marcel should develop a budget that will support his ability to pay his bills on time.

SOURCE: FI:066 Develop personal budget

SOURCE: Huntington. (2023). *Create a personal budget: How to make a budget*. Retrieved August 2, 2023, from <https://www.huntington.com/learn/budgeting/how-to-make-a-budget>

73. C

A weakness of the private enterprise system. Although private enterprise systems are economically productive, they do have some negative aspects. One of these is that property and income are not equally distributed. The private enterprise system does not always make it easy for people to increase their income, especially if they do not have access to higher education, training, and skills. Charlie's family does not have the money to pay for him to go to college, so it was difficult for him to improve his financial standing. Val, on the other hand, was born into a family with wealth, so it was easier for her to increase her income through education. This is not an example of supply and demand, limited government control in the private enterprise system, or freedom in the marketplace.

SOURCE: EC:009 Explain the concept of private enterprise

SOURCE: LAP-EC-015—People Power (The Private Enterprise System)

74. C

Ongoing communication. Employees' goals should align with the business's organizational goals. To ensure that employees understand the importance of their work and their roles in achieving the business's goals, managers must communicate with the employees on an ongoing basis. Ongoing communication may include brainstorming ideas to improve productivity, motivating employees by providing positive feedback, and evaluating their performance on a regular basis. Performance reviews may or may not include evaluation from peers.

SOURCE: PD:255 Ascertain employee's role in meeting organizational goals

SOURCE: Martic, K. (2023, January 23). *The importance of communication in the workplace (& how to do it right)*. Retrieved August 2, 2023, from <https://hailo.com/blog/communication-in-the-workplace-importance/>

75. C

The public interest. Accountants have a responsibility to look out for the greater good of the public as a whole, not just for themselves or their clients. The principle of due care means performing the role of accountant as well as possible. Transparency means maintaining honest and open communication, and full disclosure means providing all the necessary information to help readers understand financial information. Objectivity and independence mean making decisions without favoritism or prejudice and being fair to everyone involved.

SOURCE: FI:351 Discuss the role of ethics in accounting

SOURCE: LAP-FI-351—With Due Care (The Role of Ethics in Accounting)

76. C

The company wants to increase its market share. Most businesses have goals for their firms, and the products they sell should help the firms achieve those objectives. When a product no longer helps a business attain its share of a particular market, the firm may decide to replace it with a product that may do so. The firm in this case is not expanding its product line, since it is simply replacing one product with another. A product that sells well or is a collectible would be a good reason for the company to keep the product in its product mix.

SOURCE: PM:003 Explain the concept of product mix

SOURCE: LAP-PM-003—Mix and Match (The Nature of the Product Mix)

77. B

No, because consumers are not willing to pay the price being asked for this car. In order for demand to exist, consumers must desire the product, have the buying power, and be willing to exchange their money for the product. Consumers do have a desire for the car and the buying power to purchase it, but they are not willing to pay the price. As a result, there is no demand for this car.

SOURCE: EC:005 Explain the principles of supply and demand

SOURCE: LAP-EC-011—It's the Law (Supply and Demand)

78. B

Read email. Most people have times of the day when they feel more energetic and focused. Some people, like Niyah, need a few minutes to get going in the morning. If possible, it is best for these individuals to first work on simple or routine tasks, such as reading email or listening to voicemail messages. When Niyah feels more alert and focused, she is better prepared to work on more cognitive-based or complex tasks, such as updating the departmental budget, writing a research report, or preparing a presentation.

SOURCE: EI:077 Manage commitments in a timely manner

SOURCE: Lucidchart. (2023). *10 tips for mastering time management at work*. Retrieved August 2, 2023, from <https://www.lucidchart.com/blog/time-management-at-work>

79. C

Ask a higher price for the product. Marketers can raise a product's value in the customer's eyes by raising the price. Lowering the product's price would not necessarily raise the product's value. Deciding how to package the product and ordering more of the product are not tasks in the pricing element.

SOURCE: MP:001 Explain the concept of marketing strategies

SOURCE: LAP-MP-001—Pick the Mix (Nature of Marketing Strategies)

80. A

Obtain customers. The promotional mix plays a key role in obtaining and keeping customers. An appropriate blend of the promotional elements enables businesses to communicate effectively with consumers. Promoters are able to inform potential consumers about the existence of their products, services, or ideas and to persuade them to buy. An effective promotional mix does not help a business influence vendors. Advertising and publicity are elements of the promotional mix.

SOURCE: PR:003 Identify the elements of the promotional mix

SOURCE: LAP-PR-903—Spread the Word (Nature of the Promotional Mix)

81. D

Total cost. The sum of the operating and direct expenses required to make a product is its total cost. A product must be priced higher than the total cost for the business to make a profit. A price markup is the difference between total cost and selling price. A break-even point happens when total expenses equal total sales. Gross cost is not a typical business term.

SOURCE: OP:024 Explain the nature of overhead/operating costs

SOURCE: LAP-OP-024—Watch Your (Over) Head (Overhead/Operating Costs)

82. D

Provide detailed written instructions. To protect customers, businesses must advise customers about how to use their products safely. Complex products that require assembly or that have multiple functions should provide detailed written instructions to help the customer assemble or use the product correctly. When the product is assembled or used correctly, there is less risk of injury to the product user and less risk associated with product damage. Offering a service guarantee, implementing a return policy, and using recyclable packaging are not actions that will help reduce the risk of personal injuries and product damage.

SOURCE: PM:017 Identify consumer protection provisions of appropriate agencies

SOURCE: LAP-PM-007—Protect and Serve (Consumer Protection)

83. D

Monolithic branding. A brand is the combined images, impressions, and experiences associated with a company, good, or service. Some businesses have a variety of products or product lines. When the company uses the same brand name to market these various products or product lines, it is often referred to as monolithic branding. Differentiated is setting a product or company apart from the competition by emphasizing a specific feature or benefit. Distribution is the marketing function that is responsible for moving, storing, locating, and or transferring the ownership of goods and services.

SOURCE: PM:206 Explain the nature of corporate branding

SOURCE: Brandality. (2023, June 25). *What is brand architecture [And how you can benefit from it]*. Retrieved August 3, 2023, from <https://brandality.com/brand-strategy/what-is-brand-architecture/>

84. B

Competitive. A business must be aware of the prices offered by other businesses and make sure that its prices are competitive, especially for products that are similar. Realistic pricing is often associated with the quality of the product. Flexible pricing allows the business to raise or lower its prices in response to economic changes. Strategic is not a type of pricing.

SOURCE: PI:001 Explain the nature and scope of the pricing function

SOURCE: LAP-PI-001—The Price Is Right (Nature of Pricing)

85. C

Membership group. Your personal circle of friends is a membership group, a social group that you already belong to. Membership groups can have a strong influence on consumer buying behavior. A reference group is a group you're not a part of (you might want to be a part of it or want to avoid being a part of it). A national culture applies to an entire country, not just your group of friends. A subculture is a culture within a culture that is usually defined by ethnicity, religion, geographic region, etc.

SOURCE: MK:014 Explain factors that influence customer/client/business buying behavior

SOURCE: LAP-MK-014—Cause and Effect (Buying Behavior)

86. A

Analyze its current processes. The first step in streamlining work processes is analyzing current processes. Without analyzing the state of its current production processes, the food manufacturer won't know what areas need to be improved. Drafting process changes, acquiring the necessary resources, and communicating changes to stakeholders are all steps in the streamlining process that come after analyzing the current processes.

SOURCE: OP:355 Streamline work processes

SOURCE: Mind Tools. (2023). *Improving business processes*. Retrieved August 2, 2023, from <https://www.mindtools.com/adosrrm/improving-business-processes>

87. A

Open-ended. Researchers assign codes to survey responses in an effort to use the information in a numerical mode. Open-ended questions are designed so that respondents react to questions in a manner that requires more than "yes" or "no" as an answer. Because possible responses are not controlled or limited, coding is often more difficult. Closed-ended questions offer limited response options to inquiries or statements. Forced-choice questions are closed-ended questions. A scale is a method of measurement that assigns range of possible responses. For example, a scale that is often used to assess a respondent's feeling regarding a statement might range from "strongly agree" to "strongly disagree." This is a form of the forced-choice response method.

SOURCE: IM:062 Explain techniques for processing marketing data

SOURCE: Ascribe. (2021). *Survey coding for improved research results*. Retrieved August 2, 2023, from <https://goascribe.com/blog/survey-coding-guide/>

88. D

Do not represent the population. Because the survey was only given to regular customers of the Chinese restaurant, the sample does not represent the total population of the town. Regular customers are more likely to indicate interest in the new restaurant because they already have a favorable impression of the current restaurant. There is no indication that the data gathered are incomplete, contain leading questions, or are full of dishonest responses.

SOURCE: IM:292 Identify sources of error in a research project (e.g., response errors, interviewer errors, non-response errors, sample design)

SOURCE: Australian Bureau of Statistics. (2023, March 1). *Errors in statistical data*. Retrieved August 2, 2023, from <https://www.abs.gov.au/websitedbs/d3310114.nsf/home/Basic+Survey+Design+-+Errors+in+Statistical+Data>

89. A

Stocking the product. A slotting allowance is a cash premium that manufacturers pay to retailers to cover the costs involved in carrying a new product. The money is intended to pay for such expenses as the cost involved in bringing the product into the store, including warehousing and stocking the product. A slotting allowance also pays for shelf space, store advertising, and penalties if the product doesn't sell. Manufacturers often pay licensing fees to sports teams or famous people to use their names or logos on products. Sales incentives are bonuses or awards given to employees who meet or exceed their sales quotas. Mail-in rebates are a sales promotion activity that involves the manufacturer returning part of the price a customer pays for a good or service.

SOURCE: CM:006 Describe ethical considerations in channel management

SOURCE: Gilbert, D. (2018, December 6). *Slotting fees: What suppliers need to know*. Retrieved August 2, 2023, from <https://www.dotactiv.com/blog/slotting-fees>

90. D

Damaged workplace environment. When information about employee relations is not kept confidential, negative consequences can occur. While disclosing information about a conflict is not illegal, it can be damaging to the workplace culture and environment. People will feel that they cannot trust management, and they will not feel unified or cooperative. Disclosing this type of confidential information will not necessarily lead to loss of clients, costly lawsuits, or claims of workplace discrimination.

SOURCE: OP:441 Explain information privacy, security, and confidentiality considerations in business

SOURCE: Cushman, C. (2021, April 29). *The importance of confidentiality in HR*. Retrieved August 2, 2023, from <https://www.connectpayusa.com/blog/the-importance-of-confidentiality-in-hr>

91. C

Advertising. Businesses often develop advertising that describes the features and benefits of their goods and services and explains why the customer should buy them. Salespeople can use the information contained in the businesses' advertising to help them sell. Telemarketing is a method of selling that uses personal calls on the phone. Networking is the process of developing business contacts. Highlighting is emphasizing an earlier statement.

SOURCE: SE:062 Acquire product information for use in selling

SOURCE: Indeed. (2022, June 24). *15 types of sales materials to move consumers forward in the buying process*. Retrieved August 3, 2023, from <https://www.indeed.com/career-advice/career-development/sales-materials>

92. A

Return on investment. The return on investment is calculated by dividing the net profit by the amount spent. This type of information helps the business measure the success of a specific business activity. Retention rates provide information about repeat customers. Sales strategies are the activities salespeople use to sell products. A sales commission rate is a form of compensation paid to salespeople that is based on a certain percentage of sales volume or sales dollars.

SOURCE: NF:093 Interpret statistical findings

SOURCE: Fernando, J. (2023, May 24). *Return on investment (ROI): How to calculate it and what it means*. Retrieved August 2, 2023, from <https://www.investopedia.com/terms/r/returnoninvestment.asp>



93. B

Sort by zip code. Database software programs allow businesses to arrange customer information according to various criteria. Once the names, addresses, and other information are entered in the computer, the business can sort the data alphabetically, by zip code, or using any other criteria. For example, a business might sort the list by birthday in order to send each customer a personalized card. A business might use a spreadsheet program to calculate monthly profit, a word-processing program to prepare sales letters, and a communications program to write email messages.

SOURCE: NF:009 Demonstrate basic database applications

SOURCE: Oracle. (2023). *What is database software?* Retrieved August 2, 2023, from <https://www.oracle.com/database/what-is-database/#database-software>

94. B

Odds of winning. To operate ethically, businesses that sponsor sweepstakes and contests are required to inform potential participants about the odds of winning. By providing this type of information, businesses are not misleading or deceiving customers about the possibility of winning. Customers have the right to know what their chances of winning are to decide if they want to participate. A rebate is a return of part of the price a customer pays for a good or service. A coupon is a certificate or part of an advertisement entitling the holder to a reduced purchase price. A sample is a small amount of a product.

SOURCE: PR:099 Describe the use of business ethics in promotion

SOURCE: Kaiser, B. (2023, May 11). *Running a sweepstakes or contest? Here's what you need to know.* Retrieved August 3, 2023, from <https://www.legalzoom.com/articles/running-a-sweepstakes-or-contest-heres-what-you-need-to-know>

95. A

It's reliable. Quantitative sales forecasting is advantageous because it's reliable—based on hard facts and numerical data. However, it isn't cheap to undertake quantitative sales forecasting. Quantitative sales forecasting doesn't provide the "human touch" that qualitative forecasting does, and it's not ideal for new businesses, since they don't have a lot of information to go on.

SOURCE: MP:013 Explain the nature of sales forecasts

SOURCE: LAP-MP-013—Futurecast (The Nature of Sales Forecasts)

96. B

Preprint UPC data on packages. The Universal Product Code (UPC) label is encoded with product information, such as price, brand, size, etc., to be read by an electronic scanner. Technology allows manufacturers to preprint this data on packages before shipping them to businesses. The preprinted data simplifies the price-marking function because the business does not need to mark a price on each product. The UPC data contain the necessary pricing information. Exchanging data electronically, shipping goods directly to businesses, and receiving orders automatically are not ways that technology simplifies the price-marking function.

SOURCE: PI:016 Explain the use of technology in the pricing function

SOURCE: Shopify. (2022, November 18). *Master UPC codes: Essential guide for 2023.* Retrieved August 2, 2023, from <https://www.shopify.com/blog/what-is-a-universal-product-code>

97. D

Sometimes unclear. Ethics refer to beliefs and values that guide a person's behavior. Because each person's idea about acceptable behavior can vary, many industries and professions develop standards, or written guidelines, that define what is deemed ethical behavior and what constitutes acceptable business practices. Ethical standards help clarify appropriate behavior so that professionals understand what is expected of them and what they need to do to follow the standards. Ethics are not always apparent or understood. However, they are often followed.

SOURCE: PD:137 Explain the need for professional and ethical standards in marketing

SOURCE: Sarokin, D. (2020, July 13). *What are ethical standards in the workplace?* Retrieved August 2, 2023, from <https://smallbusiness.chron.com/ethical-standards-workplace-11576.html>

98. C

Setting realistic goals through prioritization. Prioritizing is one of the most important methods for balancing work and personal life. Prioritization involves ranking responsibilities in terms of urgency and importance, and taking care of the most important first. Procrastination is never an effective method for completing work. However, it would also be unwise to avoid personal responsibilities until your work is completely finished. A better method would be to set goals and to prioritize. You do not need to accept the fact that you won't be able to spend time with your family; with effective time management, anyone can successfully balance their work and home life.

SOURCE: PD:179 Balance personal and professional responsibilities

SOURCE: Mental Health America. (2023). *Work life balance*. Retrieved August 2, 2023, from <https://www.mhanational.org/work-life-balance>

99. B

Integrity. To help ensure ethical business operations, businesses should make integrity an important characteristic to look for in employees. This means that businesses should attempt to hire honest individuals with high moral character. Physical fitness, kindness, and attention to detail will not necessarily make an employee more ethical.

SOURCE: OP:190 Discuss the role of ethics in operations

SOURCE: LAP-OP-190—Above Board (Ethics in Operations)

100. B

Complementary and more or less equal in stature. Two brands join forces as "co-brands" for the purpose of increasing sales and market share for both. Each benefits from the other's brand equity. Co-branding works best when the two brands "go together," or are complementary, serve similar markets, and are essentially equal. The co-branding arrangement of Starbucks and Barnes & Noble exemplifies co-branding principles and has been extremely successful. Successful co-branding does not require that the brands be in the same industry segment. The two brands should actually not be competitors, nor must they be owned by the same parent company.

SOURCE: PM:021 Explain the nature of product/service branding

SOURCE: LAP-PM-021—It's a Brand, Brand, Brand World! (Nature of Product Branding)