

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) Strategic Planning is the process of determining _____, _____ and _____. 1) _____
A) market segments, target market, positioning
B) objectives, tactics, strategies
C) mission statement, objectives, tactics
D) objectives, strategies, tactics
E) objectives, positioning, tactics
- 2) In the strategic planning process, another term for execution is 2) _____
A) objectives. B) strategies. C) tactics. D) mission. E) concepts.
- 3) The marketing plan for Toys 'R Us states the following: "For 2007, we would like to increase our advertising budget through the summer months to \$5 million, focusing primarily on mass media outlets." This is an example of 3) _____
A) a tactic.
B) a strategy.
C) a mission.
D) an idea.
E) an objective.
- 4) A country's economy goes through cycles, based on many factors. Those cycles are: recession, depression, recovery and 4) _____
A) succession. B) bull market.
C) prosperity. D) post- depression.
- 5) A market situation in which only a few brands control the market is called a 5) _____
A) oligopolistic competition.
B) monopolistic competition.
C) monopoly.
D) oligopoly.
E) monopolistic oligopoly.
- 6) The market for beer has many competitors, each offering a unique marketing mix. This is an example of 6) _____
A) oligopoly.
B) monopoly.
C) monopolistic oligopoly.
D) monopolistic competition.
E) oligopolistic competition.

- 7) Competition from alternative products and services that satisfy the needs of a common market is called _____
- A) direct competition.
 - B) indirect competition.
 - C) direct market.
 - D) monopolistic competition.
 - E) oligopoly.
- 8) In the early 1990s, Kodak a company that sold film for cameras, focused on other film manufacturers as their main competition, ignoring the emergence of digital cameras. This is an example of a company not paying attention to the threat presented by _____
- A) social and demographic trends.
 - B) indirect competition.
 - C) generation x'ers.
 - D) direct competition.
 - E) monopolistic competition.
- 9) Dannon has recently introduced a low fat, low sugar yogurt targeted to women. With this new product introduction, Dannon is taking _____ trends into consideration. _____
- A) demographic
 - B) economic
 - C) technological
 - D) competitor
 - E) social and lifestyle
- 10) One key demographic trend in Canada is that the population is concentrated in _____ areas. _____
- A) non-english speaking
 - B) rural
 - C) aboriginal
 - D) urban
 - E) suburban
- 11) The _____ environment consists of the discoveries, inventions, and innovations that provide for marketing opportunities. _____
- A) technological
 - B) product life cycle
 - C) cultural
 - D) social
 - E) psychographic
- 12) Industry Canada regulates Canadian businesses through _____
- A) the Competition Act.
 - B) the Free Trade Act.
 - C) the Canadian Code of Advertising Standards.
 - D) the Price Act.
 - E) the Ministry of Consumer Affairs.

- 13) The strategic planning process usually starts with a _____ plan. 13) _____
A) corporate
B) marketing communications
C) preliminary
D) overall strategic
E) marketing
- 14) A plan which sets out objectives for a brand and how the various elements of the marketing mix will be employed is called a _____ 14) _____
A) marketing plan.
B) strategic plan.
C) marketing communications plan.
D) corporate plan.
E) brand plan.
- 15) A statement of an organization's purpose and operating philosophy is called a _____ 15) _____
A) marketing plan.
B) corporate plan.
C) mission statement.
D) marketing statement.
E) marketing objective.
- 16) "To increase return on investment from 20% to 25% in 2007". This is an example of a _____ 16) _____
A) corporate objective.
B) marketing objective.
C) mission statement.
D) sales objective.
E) strategic objective.
- 17) Bombardier Inc. is developing a corporate strategy. It must take all of the following factors into account, except _____ 17) _____
A) current sales levels.
B) marketing strength.
C) research and development capabilities.
D) degree of competition.
E) financial resources.
- 18) A mission statement is the foundation of the _____ 18) _____
A) advertising plan.
B) media plan.
C) public relations plan.
D) marketing plan.
E) corporate plan.
- 19) Frito- Lay invests a significant amount of money in marketing programs and aggressively markets it's existing products to retain it's position in the market. This is an example of a(n) _____ 19) _____
A) investment strategy.
B) penetration strategy.
C) acquisition strategy.
D) new product development strategy.
E) diversification strategy.

- 20) When Proctor & Gamble launched three new products in completely new categories, they were using this common corporate strategy for growth. 20) _____
- A) acquisition
 - B) penetration
 - C) new product development
 - D) strategic alliance
 - E) divesting
- 21) When Stelco, a Canadian steel company, purchased a laser-technology company from one of Canada's leading parts manufacturers for the automobile industry, they followed a(n) 21) _____
- A) divestment strategy.
 - B) strategic alliance.
 - C) acquisition strategy.
 - D) new product strategy.
 - E) penetration strategy.
- 22) Strategic alliances are popular among companies who wish to reduce costs and/or 22) _____
- A) build their leadership position.
 - B) consolidate their operations.
 - C) acquire more companies.
 - D) improve operating efficiencies.
 - E) invest in research and development.
- 23) A _____ strategy involves aggressive marketing of a company's existing products. 23) _____
- A) Status quo
 - B) Acquisition
 - C) Strategic alliance
 - D) New product development
 - E) Penetration
- 24) Wal-Mart is constantly changing its advertising strategy and pricing strategies in order to differentiate itself from its competitors. This is an example of a(n) 24) _____
- A) new product development strategy.
 - B) strategic alliance.
 - C) acquisition strategy.
 - D) marketing mix strategy.
 - E) penetration strategy.
- 25) A plan of action for acquiring companies that represent attractive financial opportunities is called a(n) 25) _____
- A) marketing strategy.
 - B) acquisition strategy.
 - C) strategic alliance.
 - D) penetration strategy.
 - E) expansion strategy.

- 26) _____ involves analyzing, planning, implementing and controlling marketing initiatives to satisfy target market needs and achieve organizational objectives. 26) _____
- A) Marketing planning
 - B) Corporate planning
 - C) Contingency planning
 - D) Penetration strategy
 - E) Strategic planning
- 27) The marketing planning process involves four basic steps. The final step in the marketing planning process is 27) _____
- A) developing marketing strategies.
 - B) analysing market opportunities.
 - C) planning marketing programs.
 - D) implementing marketing programs.
 - E) managing marketing programs.
- 28) A SWOT analysis would be used to assist in marketing planning, and consists of a study of the brand's 28) _____
- A) market research and budget analysis.
 - B) sales volume, who other products, and the media.
 - C) market share, strengths, weaknesses, and budgets.
 - D) strategic goals, when, how, who.
 - E) strengths, weaknesses, opportunities and threats.
- 29) A review of external influences in the background analysis could include 29) _____
- A) market size and growth.
 - B) sales volume.
 - C) new product activity.
 - D) seasonal analysis.
 - E) economic trends.
- 30) When market size and growth are reviewed, the company is conducting a(n) 30) _____
- A) seasonal analysis.
 - B) economic trends analysis.
 - C) media analysis.
 - D) market analysis.
 - E) market segment analysis.
- 31) Consumer data falls into which section of the Marketing Background? 31) _____
- A) SWOT analysis
 - B) product analysis
 - C) external influences
 - D) competitive analysis
 - E) target market analysis

- 32) A target market should be described in terms of similar needs and characteristics, including: 32) _____
demographic profile, psychographic profile and
A) geographic profile.
B) lifestyle profile.
C) positioning profile.
D) social profile.
E) economic profile.
- 33) The image that marketers desire a brand to have in the minds of consumers is called 33) _____
A) marketing communications.
B) market planning.
C) positioning.
D) social/cultural image.
E) target marketing.
- 34) The assessment of a brand's past performance is included in the _____ section of the 34) _____
marketing plan.
A) external analysis
B) target market analysis
C) product analysis
D) market analysis
E) competitor analysis
- 35) "To increase dollar sales from \$2,000,000 to \$2,200,000 in 2007." This is an example of a(n) 35) _____
A) marketing objective.
B) advertising objective.
C) mission statement.
D) marketing communication objective.
E) corporate objective.
- 36) Molson Canada has a clear plan of action that shows how price, place, promotion and product 36) _____
changes will be used to satisfy the needs of their target market. This is a
A) marketing communications plan.
B) marketing plan.
C) corporate plan.
D) promotional plan.
E) strategic plan.
- 37) If a company believes that their marketing budget should be determined by taking a 37) _____
predetermined portion of forecasted sales, they are using this method for determining a marketing
budget.
A) Sales Share
B) Percentage of Sales
C) Fixed Sum/Unit
D) Market Share
E) Task/Objective

- 38) The process of measuring and evaluating the results of marketing plans and of taking corrective action is called 38) _____
- A) corporate planning.
 - B) marketing planning.
 - C) marketing control.
 - D) results planning.
 - E) marketing communications planning.
- 39) Kraft Canada has the following objective: "To achieve a trial purchase rate of 15% among competitive brand users." This is an example of a(n) 39) _____
- A) marketing objective.
 - B) sales promotion objective.
 - C) corporate objective.
 - D) advertising objective.
 - E) marketing communications objective.
- 40) Marketing control is the process of measuring and evaluating the results of 40) _____
- A) marketing strategies and plans.
 - B) market research.
 - C) media budgets.
 - D) market segment analysis.
 - E) seasonal analysis.
- 41) There are various methods for developing a marketing communications budget, one of which is 41) _____
- A) to spend less than required.
 - B) based on resources available.
 - C) based on sales.
 - D) determined by guessing.
 - E) taken from research.
- 42) A marketing communications plan is a document that is usually prepared by 42) _____
- A) media specialists.
 - B) the target market.
 - C) senior management.
 - D) the marketing director.
 - E) an outside organization.
- 43) According to the marketing communications planning model discussed, which of these plans would probably be created last. 43) _____
- A) Marketing Communications plan
 - B) Advertising plan
 - C) Marketing plan
 - D) Corporate plan
 - E) Sales promotion plan
- 44) The advertising plan is divided into two primary areas: creative(message) and 44) _____
- A) segmentation.
 - B) target market.
 - C) media.
 - D) advertising objectives.
 - E) positioning.

- 45) The goal of the media plan is to provide _____
 A) more broadcast than print.
 B) an internet presence.
 C) maximum impact at maximum cost.
 D) mass audiences.
 E) maximum impact at minimum cost.
- 46) Interactive Communications options available to companies include all of the following except _____
 A) events.
 B) text messaging through cell phones.
 C) banner ads.
 D) sponsorship of websites.
 E) CD- Roms.
- 47) Sales promotions can be classified as either consumer promotions or _____ promotions. _____
 A) event
 B) communications
 C) trade
 D) non- consumer
 E) retail
- 48) A coupon for 50 cents off a loaf of bread is an example of a(n) _____
 A) consumer promotion.
 B) event promotion.
 C) retail promotion.
 D) advertising promotion.
 E) trade promotion.
- 49) In order to distinguish effective marketing communications activities from ineffective activities, the final step in the marketing and marketing communications planning process involves _____
 A) measurement and evaluation.
 B) budgeting.
 C) tactics.
 D) execution.
 E) implementation.
- 50) The goal of integrated marketing communications is to have a(n) _____ plan. _____
 A) targeted
 B) inexpensive
 C) effective
 D) easily implemented
 E) unified

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 51) As a population, Canadians are generally more health conscious than ever before. _____
- 52) Marketing plans and marketing communications plans are both strategic and tactical in nature. _____
- 53) Marketing strategy is the process of determining objectives and identifying strategies and tactics to help achieve objectives. _____

- 54) In Canada, the market for cell phones has many competitors, each offering a unique marketing mix. This is an example of an oligopoly. 54) _____
- 55) The Canadian Code of Advertising Standards contains regulations about gender portrayal, product claims, price claims and advertising to children. 55) _____
- 56) A corporate objective is a statement of an organization's purpose and operating philosophy and provides guidance and direction for the operations of the company. 56) _____
- 57) Recently, PepsiCo purchased the Quaker Oats Company at a cost of \$13.4 billion. This is an example of a new product development strategy. 57) _____
- 58) When separate companies combine their resources for the purpose of satisfying their shared customer, it is called a strategic alliance. 58) _____
- 59) Marketing plans are long term in nature. 59) _____
- 60) The first step in marketing planning involves identifying the target market. 60) _____
- 61) A SWOT analysis evaluates a brand's strengths, willingness, opportunities and trials. 61) _____
- 62) Current marketing communications activities are assessed under the product(brand) analysis section of the marketing background. 62) _____
- 63) Social and demographic trends is information included in the market analysis section of the situation analysis. 63) _____
- 64) A marketing objective would be "to generate an after budget profit of \$600 000 in the next twelve months". 64) _____
- 65) Typically, marketing objectives concentrate on sales volume, market share, and awareness. 65) _____
- 66) The process of measuring and evaluating the results of marketing strategies and plans and of taking corrective actions to ensure marketing objectives are achieved is called marketing planning. 66) _____
- 67) A marketing communications plan is usually prepared by the organization internally. 67) _____
- 68) The marketing communications plan is usually prepared before the marketing plan. 68) _____
- 69) The creative plan documents what the nature of the advertising message will be. 69) _____
- 70) The advertising plan is divided into two areas: creative (message) and media. 70) _____
- 71) Sales promotions concentrate on reaching and influencing consumers, trade customers (distributors) and the sales force. 71) _____
- 72) The media plan involves decisions about what media to use and how much to invest in each media vehicle. 72) _____

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 73) List the five external influences on a company's strategic plan and give an example of each. 73) _____
- 74) List and discuss the three common variables of a strategic (or corporate) plan. 74) _____
- 75) Describe the difference between an oligopoly and monopolistic competition, and give an example of each. 75) _____
- 76) Identify and describe the four main strategic options available to companies. 76) _____
- 77) Explain strategic alliances as a corporate strategy and why companies would pursue them. 77) _____
- 78) Identify and describe each of the four steps of marketing planning. 78) _____
- 79) Explain the SWOT analysis and the function it serves in marketing planning. 79) _____
- 80) What is positioning and why is it important to the marketing plan? 80) _____
- 81) Identify and describe the three common characteristics used to define a target market. 81) _____
- 82) What is the difference between marketing strategy and marketing execution? 82) _____
- 83) Identify and describe the five methods for determining a marketing budget. 83) _____
- 84) Define "Marketing Control" and give an example of marketing control. 84) _____
- 85) What is a marketing communication plan and who usually prepares it? 85) _____
- 86) Identify and describe the two primary components of an advertising plan. 86) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 87) Five external influences on a company's corporate plan were discussed. Evaluate the effect of these external influences on the corporate planning for Tim Hortons, discussing each influence.
- 88) Describe how social and demographic influences might affect a brand such as McDonald's.
- 89) Discuss the four main strategic options available to corporations and give an example of how Canadian Tire could pursue each one.
- 90) Evaluate the marketing situation for Home Depot. Develop a positioning strategy based on your assessment of the situation.
- 91) Outline the major components in the marketing communications plan model discussed.

Answer Key

Testname: UNTITLED2

- 1) D
- 2) C
- 3) E
- 4) C
- 5) D
- 6) D
- 7) A
- 8) B
- 9) E
- 10) D
- 11) A
- 12) A
- 13) A
- 14) A
- 15) C
- 16) A
- 17) A
- 18) E
- 19) B
- 20) C
- 21) C
- 22) D
- 23) E
- 24) E
- 25) B
- 26) A
- 27) E
- 28) E
- 29) E
- 30) D
- 31) E
- 32) A
- 33) C
- 34) C
- 35) A
- 36) B
- 37) B
- 38) C
- 39) E
- 40) A
- 41) C
- 42) E
- 43) E
- 44) C
- 45) E
- 46) A
- 47) C
- 48) A
- 49) A
- 50) E

Answer Key

Testname: UNTITLED2

- 51) TRUE
- 52) TRUE
- 53) FALSE
- 54) FALSE
- 55) TRUE
- 56) FALSE
- 57) FALSE
- 58) TRUE
- 59) FALSE
- 60) FALSE
- 61) FALSE
- 62) TRUE
- 63) FALSE
- 64) TRUE
- 65) FALSE
- 66) FALSE
- 67) FALSE
- 68) FALSE
- 69) TRUE
- 70) TRUE
- 71) TRUE
- 72) TRUE
- 73) Economic trends, competitor activity, social and demographic trends, technology , laws and regulations.
- 74) Objectives (statements of what is to be accomplished in terms of sales , profit and market share), Strategies (statements that outline how the objectives will be achieved, and Tactics(action- oriented details).
- 75) An oligopoly is a market situation in which only a few brands control the market. Monopolistic Competition is a market in which there are many competitors, each offering a unique marketing mix.
- 76) 1. Penetration strategy. 2. New Product Development Strategy. 3. Acquisition Strategy. 4. Strategic Alliance.
- 77) A strategic alliance is the combination of separate companies' resources for the purpose of satisfying their shared customers, the companies have different strengths and weaknesses.
- 78) 1. Analyzing market opportunities. 2. Developing marketing strategies. 3. Planning and implementing marketing programs. 4. Managing marketing programs.
- 79) Strengths, weaknesses, Opportunities, Threats. The goals of a SWOT analysis are to capitalize on strengths while minimizing weaknesses and to take advantage of opportunities while fending off threats.
- 80) Positioning is the selling concept that motivates purchase, or the image that marketers desire a brand to have in the minds of consumers. A positioning strategy statement is a summary of the character and personality of a brand and the benefits it offers customers.
- 81) Demographic profile, psychographic profile, geographic profile.
- 82) Marketing strategy is a plan of action that shows how the various elements of the marketing mix will be used to satisfy a target market's needs. Marketing execution or tactics are action oriented details that outline how a strategic plan will be implemented.
- 83) Percentage of sales, Fixed Sum/Unit, Industry Average, Advertising Share/Market Share, Task (Objective).
- 84) Marketing control is the process of measuring and evaluating the results of marketing strategies and plans and of taking corrective action to ensure marketing objectives are achieved.
- 85) A marketing communications plan is usually prepared by an outside organization. A marketing communications plan identifies how the various elements of marketing communications will be integrated into a cohesive and coordinated plan.
- 86) Creative Plan is concerned with what message will be communicated and how it will be communicated. Media Plan involves strategic decisions about what media to use and how much money to invest in the media that are chosen.
- 87) Economic trends, competitor activity, social and demographic trends, technology , law and regulations.

Answer Key

Testname: UNTITLED2

- 88) Aging population, more ethnically diverse, more health and fitness conscious.
- 89) Penetration strategy, acquisition strategy, new product development strategy and strategic alliances.
- 90) An assessment of marketing situation includes an assessment of: external influences, market analysis, competitor analysis, target market analysis, brand analysis and SWOT analysis.
- 91) Marketing communications objectives, marketing communications strategies, creative plan, media plan, direct response plan, interactive communications plan, sales promotion plan, public relations plan, events and sponsorship plan.