

Consumer Behavior, 11e (Schiffman/Kanuk)

Chapter 2 Segmentation, Targeting and Positioning

1) The process of dividing a market into distinct subsets of consumers with common needs or characteristics is known as _____.

- A) target marketing
- B) market segmentation
- C) mass marketing
- D) the marketing concept
- E) market evaluation

Answer: B

Diff: 1

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

2) Qantas targets four distinct segments: coach passengers, premium economy, business and first class, and uses _____ to clearly differentiate between the options targeted at each segment.

- A) positioning
- B) behavioral targeting
- C) geographic segmentation
- D) reverse targeting
- E) countersegmentation

Answer: A

Diff: 2

Skill: Application

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

3) The _____ of a product or service is the process by which a company creates a distinct image and identity for its products, services and brands in consumers' minds.

- A) segmentation
- B) target
- C) positioning
- D) psychographic inventory
- E) concentrated marketing strategy

Answer: C

Diff: 1

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

4) Most marketers prefer to target consumer segments that are relatively _____.

- A) small
- B) stable in terms of consumption patterns
- C) unpredictable
- D) inaccessible
- E) expensive to pursue

Answer: B

Diff: 1

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

5) Peter wants to segment the target audience for his frozen yogurt shop based on benefits sought. Unlike demographic variables, the benefits sought variable is difficult to measure, so it is not as _____.

- A) profitable
- B) stable in terms of consumption patterns
- C) identifiable
- D) inaccessible
- E) expensive to pursue

Answer: C

Diff: 2

Skill: Application

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

6) Which of the following is NOT one of the characteristics of an effective target?

- A) identifiable
- B) sizeable
- C) reachable
- D) inaccessible
- E) congruent with the marketer's objectives and resources

Answer: D

Diff: 1

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

7) Perry & Swift — an investment management firm — used the 2001 P\$YCLE Segmentation System, which is part of a database entitled _____.

- A) Nielsen MyBestSegments
- B) VALS
- C) PRIZM
- D) Nielsen NetRatings
- E) Magazine Readers Index (MRI)

Answer: A

Diff: 3

Skill: Application

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Application of knowledge

8) Consumers' characteristics can be classed as either behavioral or cognitive. In this context, behavioral data can be determined from direct questioning and categorized by a single objective measure. Examples of behavioral data include _____.

- A) demographics, gender, and benefits wanted
- B) usage rate, level of involvement, and psychographics
- C) personality traits, lifestyles, and family life cycle
- D) education, quantity of product purchased, and gender
- E) level of involvement, awareness of product alternatives, and benefits wanted

Answer: D

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Analytical thinking

9) Consumers' characteristics can be classed as either behavioral or cognitive. In this context, cognitive factors are abstract, can be determined only through more complex psychological and attitudinal questioning, and generally have no single, universal definitions. Examples of cognitive factors include _____.

- A) demographics, gender, and benefits wanted
- B) usage rate, level of involvement, and education
- C) personality traits, lifestyles, and gender
- D) education, usage situation, and social class
- E) cultural values, personality traits, and benefits sought

Answer: E

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Analytical thinking

10) Consumers' characteristics can be classed as either consumer-intrinsic or consumption-specific. In this context, consumer-intrinsic features stem from the consumer's physical, social, and psychological characteristics. Examples of consumer-intrinsic features include _____.

- A) demographics, gender, and benefits sought
- B) usage rate, level of involvement, and psychographics
- C) personality traits, cultural values, and income
- D) education, consumption-specific attitudes, and social class
- E) attitudes regarding shopping, awareness of product alternatives, and benefits wanted

Answer: C

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Analytical thinking

11) Consumers' characteristics can be classed as either consumer-intrinsic or consumption-specific. In this context, consumption-specific features are attitudes and preferences toward specific products or buying situations. Examples of consumption-specific features include _____.

- A) demographics, gender, and benefits sought
- B) attitudes toward shopping, benefits sought in products, and frequency of leisure activities
- C) personality traits, lifestyles, and income
- D) education, usage situation, and gender
- E) personality traits, awareness of product alternatives, and attitudes toward political issues

Answer: B

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Analytical thinking

12) In reference to consumer characteristics, _____ can be determined from direct questioning or observation and categorized by a simple objective measure, whereas _____ are abstract and can be determined only through more complex psychological and attitudinal questioning.

- A) consumption-based features; consumer-intrinsic features
- B) behavioral data; cognitive data
- C) product-specific features; consumption-based features
- D) cognitive data; behavioral data
- E) consumer-intrinsic features; consumption-based features

Answer: B

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

13) Another term for psychographic characteristics is _____.

- A) age
- B) lifestyles
- C) benefits sought
- D) use-situation factors
- E) use-related factors

Answer: B

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

14) Age, gender, and income are bases of which of the following types of segmentation?

- A) geographic segmentation
- B) sociocultural segmentation
- C) benefit segmentation
- D) demographic segmentation
- E) psychological segmentation

Answer: D

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

15) _____ is/are defined by computing an index based on three quantifiable variables: income, education and occupation.

- A) Demographics
- B) Social class
- C) Psychographics
- D) Personality traits
- E) Sociocultural values

Answer: B

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

16) When Colgate divides the pre-teens toothpaste group into four segments and offers each one its own toothpaste, they are using _____ segmentation.

- A) demographic
- B) sociocultural
- C) psychological
- D) physiological
- E) use-related

Answer: A

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

17) _____ information is often the most accessible and cost-effective way to identify a target market.

- A) Demographic
- B) Sociocultural
- C) Psychological
- D) Physiological
- E) Benefit

Answer: A

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

18) Many marketers target the generation that is 18 to 34 years old, known as the _____.

- A) Millennial Generation
- B) Generation X
- C) Generation Z
- D) Net Gen
- E) Baby Boomers

Answer: A

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Reflective thinking

19) Which of the following is NOT an example of the recent shift in traditional gender roles in product targeting and advertising?

- A) Van Gogh Blue Vodka targeting women
- B) Frito-Lay targeting women
- C) television shows targeting women
- D) department stores targeting men with grooming products
- E) Dove Men+Care

Answer: C

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

20) Traditionally, the _____ has been the focus of most marketing efforts.

- A) mother
- B) family
- C) individual
- D) child
- E) teen

Answer: B

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

21) _____ is felt by many marketers to be a strong indicator of the ability to pay for a product.

- A) Age
- B) Gender
- C) Occupation
- D) Education
- E) Income

Answer: E

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

22) As a base for market segmentation, _____ is/are commonly computed as a weighted index of education, occupation, and income.

- A) social class
- B) family life cycle
- C) personality traits
- D) sociocultural values
- E) psychographics

Answer: A

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

23) _____ implies a hierarchy in which individuals in the same class generally have the same degree of status, whereas members of other classes have either higher or lower status.

- A) Usage rate
- B) Subculture
- C) Family life cycle
- D) Social class
- E) Religion

Answer: D

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

24) Marketers segment some populations on the basis of cultural heritage and _____ because members of the same culture tend to share the same values, beliefs, and customs.

- A) demographics
- B) social class
- C) ethnicity
- D) personality traits
- E) sociocultural values

Answer: C

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 14: Explain how membership in ethnic, religious, and racial subcultures influences consumer behavior

AACSB: Diverse and multicultural work environments

25) *PRIZM* is an example of _____ segmentation.

- A) demographic
- B) geodemographic
- C) psychographic
- D) sociocultural
- E) use-related

Answer: B

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

26) The most popular use of geography in strategic targeting is _____ — a hybrid segmentation scheme based on the premise that people who live close to one another are likely to have similar financial means, tastes, preferences, lifestyles, and consumption habits.

- A) countersegmentation
- B) geodemographics
- C) behavioral targeting
- D) social class
- E) psychographics

Answer: B

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

27) Which of the following five segments, as characterized by the spectrum of green, is not particularly concerned about environmental issues, and limits their green product purchases to green products that are very conspicuous so they can be perceived as green by others?

- A) Alpha-Ecos
- B) Eco-Centrics
- C) Eco-Chics
- D) Economically Ecos
- E) Eco-Moms

Answer: C

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

28) Consumer innovators are generally characterized by which of the following personality traits?

- A) open-minded and perceive less risk than others in trying new things
- B) reserved and skeptical of marketing information
- C) extraverted and risk averse
- D) high in exhibition and reserved
- E) extraverted and reserved

Answer: A

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

29) Lifestyles, also known as _____, consist of activities, interests, and opinions.

- A) psychographics
- B) demographics
- C) geodemographics
- D) personality traits
- E) benefit segmentation

Answer: A

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

30) Level of agreement with which of the following statements is associated with the *Control of Life* Psychographic Factor?

- A) I generally give gifts because people expect me to.
- B) I find it hard to speak in front of a group.
- C) The look of a website is an important factor in my buying decisions.
- D) My friends often ask me for advice on fashion.
- E) I am more conventional than experimental.

Answer: B

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

31) The most popular segmentation system combining lifestyle and values is _____.

- A) PALS
- B) VALS
- C) LAPS
- D) SALS
- E) CALS

Answer: B

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

32) The VALS typology classifies the American adult population into eight distinctive subgroups based on their motivations and level of resources. The three primary motivations include _____.

- A) ideals, education, and achievement
- B) ideals, achievement, and self-expression
- C) knowledge, education, and self-expression
- D) independence, aptitude, and achievement
- E) aptitude, ideals, and self-expression

Answer: B

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

33) In the VALS typology, _____ are motivated by ideals and tend to have low resources. They are generally slow to change as well as technology averse, and tend to prefer familiar products and established brands.

- A) Innovators
- B) Believers
- C) Thinkers
- D) Strivers
- E) Experiencers

Answer: B

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

34) In the VALS typology, Achievers are motivated by achievement and tend to have high resources. They have goal-oriented lifestyles that center on family and career. This segment tends to prefer _____.

- A) familiar products and established brands
- B) value over luxury, and tend to buy basic products
- C) products that offer durability, functionality, and value
- D) products that reflect cultivated tastes for upscale niche products and services
- E) premium products that demonstrate success to their peers

Answer: E

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

35) In the VALS typology, Thinkers are motivated by ideals and tend to have high resources. They tend to be well educated and actively seek out information in the decision-making process. This segment tends to prefer _____.

- A) familiar products and established brands
- B) value over luxury, and tend to buy basic products
- C) products that offer durability, functionality, and value
- D) products that reflect cultivated tastes for upscale niche products and services
- E) premium products that demonstrate success to their peers

Answer: C

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

36) In the VALS typology, Makers are motivated by self-expression and tend to have low resources. They choose hands-on constructive activities and spend leisure time with family and close friends. This segment tends to prefer _____.

- A) familiar products and established brands
- B) value over luxury, and tend to buy basic products
- C) products that offer durability, functionality, and value
- D) products that reflect cultivated tastes for upscale niche products and services
- E) premium products that demonstrate success to their peers

Answer: B

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

37) In the VALS typology, Innovators are successful, take-charge people with high self-esteem. Because they have such abundant resources, they exhibit all three primary motivations in varying degrees. They are change leaders and are the most receptive to new ideas and technologies. This segment tends to prefer _____.

- A) familiar products and established brands
- B) value over luxury, and tend to buy basic products
- C) products that offer durability, functionality, and value
- D) products that reflect cultivated tastes for upscale niche products and services
- E) premium products that demonstrate success to their peers

Answer: D

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

38) When Colgate offers Colgate Total, which provides 12-hours of germ fighting; Colgate Max Fresh, which fights bad breath; and Colgate Sensitive Pro-Relief for people who have sensitive gums, they are segmenting based on _____.

- A) usage rate
- B) benefits
- C) personality
- D) culture
- E) values

Answer: B

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

39) The segment of online consumers that uses the Internet 20.7 hours per week, engages in some browsing and shopping but is a very heavy user of blogging, chatting, video streaming, and downloading, is known as _____.

- A) Basic Communications
- B) Lurking Shoppers
- C) Social Strivers
- D) Sports Fans
- E) Value-Added Shoppers

Answer: C

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

40) Marketers of many products such as soup, laundry detergent, beer, and dog food have found that a relatively small group of heavy users accounts for a disproportionately large percentage of the total product usage. Targeting these heavy users specifically is an example of _____.

- A) benefit-based segmentation
- B) demographic segmentation
- C) cross-cultural segmentation
- D) usage rate segmentation
- E) usage situation segmentation

Answer: D

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

41) Rate of usage is strongly related to two cognitive dimensions: product involvement and _____.

- A) product awareness status
- B) background
- C) personality
- D) awareness
- E) country of origin

Answer: A

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

42) Sunshine Cruise Lines markets Adventure Cruises as a way to see multiple islands from the comfort of a single ship, alleviating the hassle of flying between islands and staying in a different hotel every couple of nights. Targeting consumers who view this convenience as appealing is an example of _____.

- A) countersegmentation
- B) cultural segmentation
- C) usage rate segmentation
- D) demographic segmentation
- E) benefit segmentation

Answer: E

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

43) Rosetta Car Rental exercises _____ when it stocks more convertible cars in California than in New York.

- A) demographic segmentation
- B) geographic segmentation
- C) sociocultural segmentation
- D) psychographic segmentation
- E) usage-situation segmentation

Answer: B

Diff: 1

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

44) Beyond flavor and the presence or absence of sugar, Nicorette offers a gum that will whiten your teeth while satisfying your nicotine craving and helping you quit smoking. This gum has been positioned on the basis of _____.

- A) demographic segmentation
- B) family life cycle segmentation
- C) psychographic segmentation
- D) mass marketing
- E) benefit segmentation

Answer: E

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

45) _____ segmentation differentiates among heavy users, medium users, light users, and nonusers of a specific product, service or brand.

- A) Brand awareness
- B) Brand loyalty
- C) Usage rate
- D) Sociocultural
- E) Benefit

Answer: C

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

46) Research has shown that 25 percent of beer drinkers account for about 75 percent of all beer consumed. This is an example of a justification for _____ segmentation.

- A) benefit
- B) usage rate
- C) psychographic
- D) lifestyle
- E) usage-situation

Answer: B

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge; Reflective thinking

47) Whether or not consumers need to be informed about a product relates to consumers' _____.

- A) awareness status
- B) usage situation
- C) attitude
- D) usage rate
- E) learning-involvement

Answer: A

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

48) The greeting card industry capitalizes on occasions to sell products; this is a perfect example of _____ segmentation.

- A) lifestyle
- B) benefit
- C) usage situation
- D) demographic
- E) geographic

Answer: C

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

49) Which of the following is NOT tracked during online navigation to inform behavioral targeting?

- A) the sites consumers visit
- B) the pages consumers look at on a site
- C) lifestyles and personalities
- D) how often consumers return to a site
- E) brick-and-mortar purchases

Answer: E

Diff: 2

Skill: Concept

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Information technology

50) _____ consists of looking at merchandise at a physical store, scanning its barcode with smartphones and using these devices to check the items' prices and purchase the items online.

- A) Mobile Targeting
- B) Geofencing
- C) Psychographics
- D) Showrooming
- E) GPS marketing

Answer: D

Diff: 2

Skill: Concept

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Information technology

51) _____ are measures that predict consumers' future purchases on the basis of past buying information and other data.

- A) Showroom analytics
- B) Predictive analytics
- C) Geofencing analytics
- D) Social analytics
- E) Consumer spying analytics

Answer: B

Diff: 2

Skill: Concept

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Information technology

52) Acxiom databases track all of the following EXCEPT _____.

- A) weight
- B) vacation dreams
- C) household health worries
- D) education
- E) fingerprints

Answer: E

Diff: 2

Skill: Application

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

53) _____ are bits of computer code placed on browsers to keep track of online activity.

- A) Data minerals
- B) Candies
- C) Cookies
- D) Binodes
- E) Geofences

Answer: C

Diff: 2

Skill: Concept

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Information technology

54) Home Depot uses its individual customer purchase history to design customized ads. This is an example of _____.

- A) psychographic segmentation
- B) geodemographic segmentation
- C) countersegmentation
- D) mass marketing
- E) behavioral targeting

Answer: E

Diff: 2

Skill: Application

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

55) The image and unique identity of a product, service or brand in consumers' minds is called its _____.

- A) position
- B) perception
- C) segment
- D) target
- E) imposition

Answer: A

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

56) What is the FOURTH step in the positioning process?

- A) Create a positioning statement focused on the benefits and value that the product provides.
- B) Determine the target market's preferred combination of attributes.
- C) Define the market in which the product or brand competes, relevant buyers and competitors.
- D) Develop a distinctive, differentiating, value-based positioning concept.
- E) Research how consumers perceive competing offerings on relevant attributes.

Answer: B

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

57) What is the FIFTH step in the positioning process?

- A) Create a positioning statement focused on the benefits and value that the product provides.
- B) Determine the target market's preferred combination of attributes.
- C) Define the market in which the product or brand competes, relevant buyers and competitors.
- D) Develop a distinctive, differentiating, value-based positioning concept.
- E) Research how consumers perceive competing offerings on relevant attributes.

Answer: D

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

58) What is the THIRD step in the positioning process?

- A) Create a positioning statement focused on the benefits and value that the product provides.
- B) Determine the target market's preferred combination of attributes.
- C) Define the market in which the product or brand competes, relevant buyers and competitors.
- D) Develop a distinctive, differentiating, value-based positioning concept.
- E) Research how consumers perceive competing offerings on relevant attributes.

Answer: E

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

59) _____ is a statement or slogan that describes a company's character without referring to its specific branded products.

- A) Premier position
- B) Positioning against competition
- C) Umbrella positioning
- D) Key attribute positioning
- E) Un-owned perception positioning

Answer: C

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

60) Campbell's slogan "soup is good food" is an example of _____.

- A) premier position
- B) positioning against competition
- C) umbrella positioning
- D) key attribute positioning
- E) un-owned perception positioning

Answer: C

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

61) McDonald's slogans "You deserve a break today," "Make every time a good time," and "I'm Lovin' It" are examples of _____.

- A) premier position
- B) positioning against competition
- C) umbrella positioning
- D) key attribute positioning
- E) un-owned perception positioning

Answer: C

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

62) _____ focuses on a brand's exclusivity to give the consumer a reason to buy the product.

- A) Premier position
- B) Positioning against competition
- C) Umbrella positioning
- D) Key attribute positioning
- E) Un-owned perception positioning

Answer: A

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

63) *The New York Times'* positioning as "All the news that's fit to print" is an example of _____.

- A) premier position
- B) positioning against competition
- C) umbrella positioning
- D) key attribute positioning
- E) un-owned perception positioning

Answer: A

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

64) Positioning Joy (a fragrance brand) as "the costliest perfume in the world" is an example of _____.

- A) premier position
- B) positioning against competition
- C) umbrella positioning
- D) key attribute positioning
- E) un-owned perception positioning

Answer: A

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

65) Positioning Bounty, a paper towels brand, as "the quicker picker upper" is an example of _____.

- A) premier position
- B) positioning against competition
- C) umbrella positioning
- D) key attribute positioning
- E) un-owned perception positioning

Answer: D

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

66) Positioning Avis using the claim that "We're No. 2. We Try Harder." was an example of _____.

- A) premier position
- B) positioning against competition
- C) umbrella positioning
- D) key attribute positioning
- E) un-owned perception positioning

Answer: B

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

67) _____ is the process by which a company intentionally changes the distinct image and identity that its product or brand occupies in consumers' minds.

- A) Premier position
- B) Positioning against competition
- C) Repositioning
- D) Key attribute positioning
- E) Umbrella positioning

Answer: C

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

68) Yellow Tail wines changed its taglines from "Open for everything" and "Tails, you win" to "The go to" as part of its _____.

- A) premier position
- B) positioning against competition
- C) repositioning
- D) key attribute positioning
- E) umbrella positioning

Answer: C

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

69) _____ is constructing a map-like diagram representing consumers' perceptions of competing brands along relevant product attributes.

- A) Perceptual mapping
- B) Umbrella mapping
- C) Reposition mapping
- D) Attribute mapping
- E) Umbrella positioning

Answer: A

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

70) Which of the following is NOT one of the uses of perceptual maps?

- A) Show marketers how consumers perceive their brand in relation to the competition.
- B) Show consumers how they should perceive a marketer's brand in relation to the competition.
- C) Allow marketers to determine the direction for altering undesirable consumer perceptions of a marketer's brand.
- D) Allow marketers to find gaps, in the form of "un-owned" perceptual positions, that represent opportunities for new brands or products.
- E) All of the above are uses of perceptual maps.

Answer: B

Diff: 3

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

71) What was the ultimate result of Oldsmobile's repositioning strategy, which tried to shift perceptions of Oldsmobile as an "old folks" car?

- A) Oldsmobile shifted the image and identity of its brand, but did not sell more units.
- B) Oldsmobile sold more units, but did not shift the image and identity of its brand.
- C) Oldsmobile did not shift the image and identity of its brand, and GM stopped producing the brand.
- D) Oldsmobile did not shift the image and identity of its brand, so GM tried a different position.
- E) Oldsmobile shifted the image and identity of its brand and sold more units.

Answer: C

Diff: 3

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

72) What is one of the benefits of offering many product versions that provide distinct benefits and "fill" as many positions as possible in a product category?

- A) lower need for shelf space
- B) lower production costs
- C) creating lower margins for the firm
- D) creating barriers to competitive entry and market penetration
- E) All of the above are benefits for product line extensions.

Answer: D

Diff: 3

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Analytical thinking

73) When Fage Yogurt emphasizes its yogurt's thickness, which two positioning strategies was it using?

- A) key attribute and premier position
- B) premier position and umbrella positioning
- C) un-owned position and umbrella positioning
- D) key attribute and un-owned position
- E) key attribute and umbrella positioning

Answer: D

Diff: 3

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

74) When Healthy Choice positions its products as more nutritional than Italian sub sandwiches and prepared salads, which type of positioning is it using?

- A) umbrella positioning
- B) premier position
- C) positioning against competition
- D) un-owned position
- E) predictive positioning

Answer: C

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

MUSEUM MINI CASE: Central City Art Museum is looking to increase museum revenues by trying to draw more people to the museum. Research has shown that the most frequent users of the museum are over 55 years old, have college degrees, and have a household income of over \$100,000. Less frequent users of the museum have the same education and income profile as frequent users, but tend to be younger, between 35 and 55. Surveys suggest that these younger adults would use the museum more frequently, but do not have enough time due to the demands of their children and families. In order to increase museum entrance revenues, the administrative team wants to attract people who are likely to become heavy users of the museum when they get older, and try to bring them into the heavy user category at an earlier age. In an effort to encourage heavy museum use, the museum has begun a membership program that offers discounts on museum entrance and gift shop purchases and special exhibit preview events for members. The museum has also begun to offer free children's art and museum appreciation classes on weekend afternoons that will allow younger adults to drop their children off once a week and then enjoy the museum's exhibits and café. In order to promote its new children's programming, the museum acquired an address list of local households with children, including the ages of those children, and intends to send tailored messages specifically highlighting programming that is age-appropriate for each household's children.

75) In the MUSEUM MINI CASE, dividing museum attendees into frequent users, less frequent users, and non-users is known as _____.

- A) geographic segmentation
- B) benefit segmentation
- C) usage rate segmentation
- D) sociocultural segmentation
- E) psychographic segmentation

Answer: C

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

76) In the MUSEUM MINI CASE, the museum's approach to promoting its new children's programming is best described as _____.

- A) countersegmentation
- B) mass marketing
- C) narrowcasting
- D) concentrated marketing
- E) demographic segmentation

Answer: E

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

77) In the MUSEUM MINI CASE, the most important differentiating factor between frequent and less frequent users is _____.

- A) income
- B) age
- C) gender
- D) education
- E) stage of family life cycle

Answer: E

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

CRUISE MINI CASE: Sunshine Cruise Lines is a cruise operator that offers three- to seven-day cruises along five Caribbean routes. It has developed a reputation as a party cruise operator and the majority of its revenue comes from vacationing college students. This type of customer demand is highly cyclical, and Sunshine finds that repeat purchase is high while its consumers are in college, but practically disappears after graduation. In an effort to encourage its customers to continue taking Sunshine Cruises after they have graduated, the cruise operator has begun offering Adventure Cruises, with port stops on islands known for eco-tourism and biodiversity, both on land and off shore, appealing to young professionals who like to hike and scuba dive or snorkel. In contrast to its party cruises, Sunshine focuses its marketing message for Adventure Cruises on activities at port stops and the convenience of being able to explore several Caribbean destinations from the comfort of a single ship. Adventure Cruises are roughly 15% more expensive than party cruises, priced to discourage a raucous college-age party crowd, and do not allow children under 18. The first season of Adventure Cruises was a great success and, much to Sunshine's surprise, attracted not only the intended young professional crowd, but also many empty nester couples that were looking for a reasonably priced, active vacation.

78) In the CRUISE MINI CASE, of the eight VALS segments, Sunshine is most likely targeting _____ with its new Adventure Cruises.

- A) Makers
- B) Survivors
- C) Experiencers
- D) Strivers
- E) Believers

Answer: C

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

79) In the CRUISE MINI CASE, Sunshine markets Adventure Cruises as a way to see multiple islands from the comfort of a single ship, alleviating the hassle of flying between islands and staying in a different hotel every couple of nights. Targeting consumers who view this convenience as appealing is an example of _____.

- A) countersegmentation
- B) cultural segmentation
- C) usage rate segmentation
- D) demographic segmentation
- E) benefit segmentation

Answer: E

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

RENTAL CAR MINI CASE: Rosetta Car Rental operates car rental lots at airports nationwide. It specifically targets vacationers and advertises in travel magazines and through travel websites with a campaign that emphasizes its quality customer service and well-maintained cars. Rosetta stocks its lots based on a number of factors, including climate and the type of activities it expects its renters to undertake. For example, Rosetta stocks more convertible cars in its warm California lots than in New York. Its Colorado lots stock a large number of station wagons, vans, and SUVs to accommodate skiers and snow-boarders and all their gear.

80) In the RENTAL CAR MINI CASE, Rosetta exercises _____ when it stocks more convertible cars in California than in New York.

- A) demographic segmentation
- B) geographic segmentation
- C) sociocultural segmentation
- D) psychographic segmentation
- E) usage-situation segmentation

Answer: B

Diff: 1

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

81) In the RENTAL CAR MINI CASE, Rosetta focuses on vacation travelers, as opposed to business travelers. Dividing the market in this way is known as _____.

- A) psychographic segmentation
- B) geographic segmentation
- C) demographic segmentation
- D) sociocultural segmentation
- E) psychological segmentation

Answer: A

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Application of knowledge

82) Targeting is the process of dividing a market into subsets of consumers with common needs or characteristics.

Answer: FALSE

Diff: 1

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

83) When Qantas offers First Class, Business Class, Premium Economy, and Economy, with different features and amenities for each segment, they are engaged in positioning.

Answer: TRUE

Diff: 1

Skill: Application

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

84) Effectively catering to the distinct needs of consumers by offering them clearly differentiated products involves much higher research, production, advertising, and distribution costs.

Answer: TRUE

Diff: 2

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

85) Catering to the distinct needs of consumers by offering them clearly differentiated products is significantly more profitable than mass marketing.

Answer: TRUE

Diff: 2

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

86) Marketers use segmentation research to identify the most appropriate media in which to place advertisements.

Answer: TRUE

Diff: 2

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

87) Most marketers prefer to target consumer segments that are relatively stable in terms of demographic and psychological factors and that have needs that are likely to grow larger over time.

Answer: TRUE

Diff: 1

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

88) Every segment that can be identified is inherently viable and profitable as a basis for targeted marketing.

Answer: FALSE

Diff: 2

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

89) Personality traits and cultural values are consumer-intrinsic cognitive factors.

Answer: TRUE

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

90) Geographic characteristics serve as the core of almost all segmentations.

Answer: FALSE

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

91) Demographic variables can reveal ongoing trends that signal business opportunities, such as shifts in age and income distribution.

Answer: TRUE

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

92) Hardship in making buying decisions is more typical of older, less-educated consumers.

Answer: TRUE

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 15: Explain how marketers can best appeal to members of different age subcultures

AACSB: Reflective thinking

93) Consumers in different social classes tend to vary in terms of values, product preferences, and buying habits.

Answer: TRUE

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

94) The family life cycle is a classification of the phases most families go through and each stage represents an important target segment to many marketers.

Answer: TRUE

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

95) Education, occupation, and income tend to be closely correlated.

Answer: TRUE

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

96) The traditional family life cycle will go through the following stages: bachelorhood, honeymooners, parenthood, post-parenthood and dissolution.

Answer: TRUE

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

97) Social class is commonly computed as a weighted index of age, income, and education.

Answer: FALSE

Diff: 1

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

98) P & G is worried about the financial hardship of America's upper class, which amounts to 40% of the country's households.

Answer: FALSE

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Application of knowledge

99) Culturally distinct segments cannot be prospects for the same product and can only be targeted efficiently with unique promotional appeals for unique products.

Answer: FALSE

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 14: Explain how membership in ethnic, religious, and racial subcultures influences consumer behavior

AACSB: Diverse and multicultural work environments

100) "Tourism of Doom" characterizes a travel industry market segment that pays high prices to travel to places that are threatened due to climate change.

Answer: TRUE

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

101) P\$YCLE segments consumers based on the household's lifestage class.

Answer: FALSE

Diff: 3

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 13: Describe the influence of social class and economics class on consumer behavior

AACSB: Reflective thinking

102) *Donor Greens* do not care about wildlife or environmental issues, so they do not engage in environmentally friendly behaviors or feel guilty about adversely impacting the environment.

Answer: FALSE

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

103) Consumers belonging to the VALS segment called Believers is motivated by desire for achievement and have moderate resources, so they are trendy and seek approval from others.

Answer: FALSE

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

104) Long stays and repeat visits to a product's website are not related to high levels of product and purchase involvement or purchase intentions.

Answer: FALSE

Diff: 2

Skill: Concept

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Information technology

105) Showrooming sends promotional alerts to the smartphones of customers who opt-in when the customers enter or near the store.

Answer: FALSE

Diff: 2

Skill: Concept

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Information technology

106) The sixth step in the positioning process is to create a positioning statement focused on the benefits and value that the product provides and use it to communicate with the target audiences.

Answer: TRUE

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

107) Distinguish between targeting, positioning, and segmentation. In your response, please indicate the correct order for the three steps.

Answer: The first step is segmentation, which separates the market into subsets of consumers with common needs or characteristics. The segments are characterized by shared needs that are different from the shared needs of other segments. The second step is targeting, which involves the selection of segments the company wishes to pursue. The third step is positioning, during which the company creates a distinct image and identity for its products, services, and brands in consumers' minds. The image must differentiate the company's offering from competing ones and communicate to the target audience that the product/service fulfills their needs better than competing offerings.

Diff: 2

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Analytical thinking

108) Identify and discuss the five criteria that make market segments effective targets.

Answer: To be an effective target, a market segment should be:

- a. identifiable — marketers must be able to identify the concrete and measurable features of consumers who belong to each group of common needs
- b. profitable — enough consumers must be part of the segment to make targeting it profitable
- c. stable and growing — marketers prefer segments that are relatively stable in terms of lifestyles and consumption patterns that are likely to grow larger and more viable in the future
- d. reachable — accessible in terms of both media and cost
- e. congruent with the marketer's objectives and resources — the segment needs to fit with the limitations and goals of the marketer

Diff: 2

Skill: Concept

Learning Obj: 2.1: To understand the interrelationships among market segmentation, targeting and positioning, and how to select the best target markets

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

109) What is the difference between behavioral data and cognitive data? Explain the difference in measurement and provide examples of consumer-intrinsic and consumption-based information associated with each type.

Answer: Behavioral data is evidence-based, can be determined from direct questioning (or observation) and categorized along objective and measurable criteria. This information can be either: (a) consumer-intrinsic (e.g., a person's age, gender, marital status, income and education); or (b) consumption-based (e.g., quantity of product purchased, frequency of leisure activities or the frequency of buying a given product).

Cognitive factors are abstracts that "reside" in the consumer's mind, can be determined only through psychological and attitudinal questioning, and, generally, have no single, universal definitions. This data can also be either: (a) consumer-intrinsic, such as personality traits, cultural values and attitudes towards politics and social issues; or (b) consumption-specific attitudes and preferences, the benefits sought in products and attitudes regarding shopping.

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Analytical thinking

110) List the reasons all segmentation plans include demographic data.

Answer:

1. Demographics are the easiest and most logical way to classify people and can be measured more precisely than the other segmentation bases.
2. Demographics offer the most cost-effective way to locate and reach specific segments because most of the secondary data compiled about any population is based on demographics (e.g., U.S. Census Bureau, audience profiles of various media).
3. Using demographics, marketers can identify new segments created by shifts in populations' age, income, and location.
4. Many consumption behaviors, attitudes, and media exposure patterns are directly related to demographics. For example, many products are gender-specific, and music preferences are very closely related to one's age; for this reason, local radio stations specializing in various types of music are an efficient and economical way to target different age groups. Leisure activities and interests, as well as the media one watches or reads, are a function of a person's age, education, and income.

Diff: 2

Skill: Concept

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

111) Provide an example of how a demographic variable has been used to position a product to a target market.

Answer: Examples may vary, and can include Age, Income, Social Class, Ethnicity, Occupation, Marital Status, Household Type and Size, and Geographical Location. One example from the text for age is: Colgate divides the pre-teens toothpaste group into four segments and offers each one its own toothpaste. Colgate offers "My First Colgate" to children up to age 2, "Colgate Dora the Explorer" to ages 2 to 5, and "Colgate SpongeBob SquarePants" and "Colgate Pop Stars" to older, preteens children.

Diff: 2

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

112) Position a health club offering to one of the VALS segments. In your description of the positioning for the segment, please note the segment's primary motivation, level of resources, level of innovativeness, and values and consumption patterns.

Answer: Answers will vary based on the segment selected. For example, if the student chooses Innovators, they would note members of the segment have abundant resources, are innovative/risk-taking, are motivated by ideals, achievement and self-esteem. They are successful, sophisticated and curious/open-minded to new ideas and technologies. The health club should be positioned as a high-end, niche service with cutting edge, technologically advanced workout equipment. The price can be high and the location should be posh to accommodate the segment's desire for the finer things in life. Promotional materials should communicate how the health club allows them to express their taste, personalities, and success.

Diff: 3

Skill: Application

Learning Obj: 2.2: To understand the bases used to segment consumers, including demographics, psychographics, product benefits sought, and product usage-related factors.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

113) What questions can be answered using predictive analytics?

Answer: Some of the questions that can be answered by predictive analytics include: (1) When leaving a given page, what content and pages are visitors likely to look at next? (2) Which websites' features (and combinations of features) are likely to persuade people to register with a website? (3) What are the characteristics of visitors likely to return to a website and why? and (4) What factors make visitors click on specific ads?

Diff: 2

Skill: Application

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

114) What is showrooming? Provide an example of how a retailer might combat it.

Answer: Showrooming consists of looking at merchandise at a physical store, scanning its barcode with smartphones and using these devices to check the items' prices online, where they end up buying them. In response, some physical stores started geofencing, which are promotional alerts sent to the smartphones of customers, who opted into this service, when the customers near or enter the store. Other ways a retailer might combat it is providing higher levels of customer service, exclusive offerings, complimentary add-ons, and price matching guarantees.

Diff: 2

Skill: Application

Learning Obj: 2.3: To understand behavioral targeting and its key role in today's marketing.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge

115) What steps are involved in the positioning process?

Answer:

1. Define the market in which the product or brand competes, who the relevant buyers are, and the offering's competition.
2. Identify the product's key attributes and researching consumers' perception on each of the relevant attributes.
3. Research how consumers perceive the competing offerings on the relevant attributes.
4. Determine the target market's preferred combination of attributes.
5. Develop a distinctive, differentiating and value-based positioning concept, which communicates the applicable attributes as benefits.
6. Create a positioning statement focused on the benefits and value that the product provides and using it to communicate with the target audiences.

Diff: 2

Skill: Concept

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Reflective thinking

116) Describe three of the commonly used positioning strategies and provide an example of each.

Answer: Answers should include three of the following:

Umbrella positioning — a statement or slogan that describes a company's character without referring to specific products (Example: Campbell's "soup is good food")

Premier position — positioning based on brand exclusivity (Example: Joy fragrance positioned as "the costliest perfume in the world")

Positioning against competition — positioning that acknowledges a competing brand and differentiates the product against its offering (Example: 7Up as the "Uncola")

Positioning on a Key Attribute — positioning that expresses a brand's superiority on a desirable attribute (Example: Bounty as the "quicker picker upper")

Un-Owned Position — positioning based on a perception that is not clearly associated with a brand or product (Example: Crest Expressions line designed to awaken senses and keep taste buds tingling)

Diff: 2

Skill: Application

Learning Obj: 2.4: To understand how to position, differentiate, and reposition products.

Learning Outcome: 1: Define consumer behavior and describe its influence on marketing practices

AACSB: Application of knowledge