<table>
<thead>
<tr>
<th>INSTRUCTIONS TO CANDIDATES</th>
</tr>
</thead>
</table>

1. Please print your name and student number on the cover of the examination paper.

2. This examination is worth **60 marks**.

<table>
<thead>
<tr>
<th>PART A: Definitions</th>
<th>15 Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>PART B: Multiple Choice</td>
<td>30 Marks</td>
</tr>
<tr>
<td>PART C: Case Study</td>
<td>15 Marks</td>
</tr>
</tbody>
</table>

   TOTAL **60 Marks**

3. Please write clearly.
PART A: Definitions 15 Marks

Define each of the following terms and give a brief example to illustrate your answer. Each question is worth three marks.

1. Adoption Process
2. Benefit Segmentation
3. Cognitive Dissonance
4. Selling concept
5. Psychographics

PART B: Multiple Choice Section (30 marks)

In this (multiple choice) section, you are asked to select the most appropriate answer from the five given options. Indicate your choice by circling either a, b, c or d. Each question is worth 1 mark.

1. The term "marketing" is best identified in today's business world with the concept of:
   a) making a sale.
   b) satisfying customer needs.
   c) communication through advertising.
   d) creating customer needs.
   e) maximising consumption.

TABLE 1
Jerri loved going to the mall. In one area, she could trade her old jeans for a new T-shirt. In another section, she could visit with the bookstore owner whose "frequent reader" program enabled Jerri to choose one free book for every ten she bought. That let Jerri count on continuing high-quality service. Also, Jerri just liked the feel of the mall. It seemed like everyone there worked hard to get her business because they knew she could shop just a few feet away for a better bargain if they didn't.
2. According to Table 1, when Jerri trades in old jeans for a T-shirt, she is engaging in which of the following?
   a) relationship marketing
   b) the donor market
   c) a monetary transaction
   d) a barter transaction
   e) a seller's market

3. The cultural values that are the hardest to change are:
   a) secondary beliefs.
   b) core beliefs.
   c) subcultural beliefs.
   d) environmental beliefs.
   e) primary beliefs.

4. The Coca-Cola Company blunder in the introduction of "new Coke" can be attributed to:
   a) changing consumer tastes.
   b) inadequate marketing efforts.
   c) poor marketing research.
   d) all of the above.
   e) none of the above.

5. The stage in the marketing research process in which the researcher determines the information required and specifies the method to be used to gather that information is called:
   a) problem definition.
   b) implementation.
   c) analysis and interpretation.
   d) developing the research plan.
   e) none of the above.

6. Janet Lowe's knowledge of fashion is readily acknowledged by her friends many of whom depend upon Janet for fashion advice. Janet could be described as a(n):
   a) fashion designer.
   b) opinion leader.
   c) social reference.
   d) social snob.
   e) big spender.
7. Minor stimuli that determine when, where, and how a person will respond are called:
   a) cues.
   b) motives.
   c) drives.
   d) stimuli.
   e) inputs.

8. High-growth, high-share businesses or products appear in the Boston Consulting Group growth-share matrix as:
   a) dogs.
   b) cash cows.
   c) question marks.
   d) stars.
   e) none of the above.

9. The regionalisation of marketing programs depends upon the use of:
   a) psychographic variables.
   b) demographic variables.
   c) geographic variables.
   d) behaviouristic variables.
   e) corporate variables.

10. After years of selling primarily to children, Australia's milk producers have invited adults to join the "health kick" by drinking more milk. The industry is attempting to take advantage of recent changes in the Australian:
    a) life style.
    b) life cycle.
    c) psychographic style.
    d) social style.
    e) diet.

11. Red Tulip's "After Dinner Mints" advertising campaign is positioned in terms of:
    a) habit segmentation.
    b) behaviour segmentation.
    c) occasion segmentation.
    d) benefit segmentation.
    e) demographic segmentation.

### TABLE 2
At Consolidated Diversified, several people were involved in the market segmentation process. Larry looked at the potential and current competitors in a prospective market. Lisa handled promotions for Consolidated's mass market products. Linda helped adapt products to several different markets. Lloyd examined the stage in the product life cycle for products held for strategic purposes. Linden handled a small SBU with a large share of a small market.
12. According to Table 2, Linda is involved in which aspect of market targeting at Consolidated?
   a) Assessing segment structural attractiveness.
   b) Undifferentiated marketing strategy.
   c) Differentiated marketing strategy.
   d) Choosing a market coverage strategy.
   e) Concentrated market strategy.

13. The brand name strategy used by Black & Decker in branding tools, appliances, and home installations is called:
   a) individual brand names.
   b) separate family names for all products.
   c) the company trade name with individual product names.
   d) a blanket family name for all products.
   e) private label branding.

TABLE 3
Friends can shop together but be motivated by different aspects of a product. Helen buys eyeliner but wants the benefits of beautiful looking eyes. Janice likes her Walkman's features. Jack enjoys the peace of mind of the extended product warranty on his computer. Kevin joins a health club but wants a powerful build. Larry uses his new software but relies heavily on the toll free number for customer support.

14. According to Table 3, Kevin appears motivated by which product level?
   a) Core product
   b) Augmented product
   c) Actual product
   d) Supplementary product
   e) Extended product

15. Of the following test marketing approaches, the one that is the most widely used for major market testing projects is:
   a) controlled.
   b) simulated.
   c) standard.
   d) commercial.
   e) experimental.

16. Profits typically are nonexistent in the stage of the product life cycle known as:
   a) growth.
   b) decline.
   c) introduction.
   d) maturity.
   e) demise.
TABLE 4
Five friends were training to be marketing managers at Consolidated Diversified. In their work, each was given a mature product to manage strategically. William's strategy was designed to increase usage among current customers. Sheila aimed to increase product quality. Beth was using extensive couponing to bolster sales. Kathy added features to her product. Jake updated his product's style to give it added appeal.

17. According to Table 4, Beth appears to be using which type of marketing management strategy?
   a) Market Modification
   b) Marketing Mix Modification
   c) Product Modification
   d) Environmental Modification
   e) Competitive Modification

18. Pricing strategy is largely determined by:
   a) profit maximisation goals.
   b) past decisions on market positioning.
   c) production costs.
   d) marketing costs.
   e) regulatory constraints.

19. Market segments willing to pay high prices for the privilege of being the first to own a new innovation are prime prospects for market pricing according to market:
   a) skimming.
   b) penetration.
   c) gouging.
   d) maximisation.
   e) demand.

TABLE 5
At Consolidated Diversified, five marketing managers were asked to experiment with different forms of pricing. Irene priced her line using temporary price reductions below list often in conjunction with special events. George priced his line according to the different forms of the product he offered different customer segments. Frances gave her customers a reduced price for paying their bills before they were due. Harry priced his line in odd numbers like $29.95 to make them appear more affordable to customers. Jack identified key combinations of quality and service levels and set prices that offered very good deals to consumers.
20. According to Table 5, Jack is using a form of which price-adjustment strategy?
   a) Discount pricing
   b) Value pricing
   c) Psychological pricing
   d) Promotional pricing
   e) Segmented pricing

21. The set of symbols transmitted by the sender is the:
   a) message.
   b) communication.
   c) noise.
   d) response.
   e) none of the above.

22. Presenting the strongest argument in a message first:
   a) is a poor way to get attention.
   b) is the most common structure used in advertising.
   c) may lead to an anticlimactic ending.
   d) is best used for highly educated audiences.
   e) is the best way to gain attention.

23. The method of budgeting for advertising that views sales as the cause of promotion rather than as the result is known as:
   a) affordable.
   b) competitive-parity.
   c) objective-and-task.
   d) percentage-of-sales.
   e) none of the above.

24. A measure of the percentage of people in the target market who are exposed to the ad campaign during a given period of time is known as:
   a) frequency.
   b) reach.
   c) saturation.
   d) impact.
   e) exposure.

TABLE 6
A team at Consolidated Diversified was designing a new advertising campaign. Each team member oversaw a major decision area. Alan was concerned with the creative strategy decisions. Barbara was analysing market share goals to determine overall costs. Cindy was working on setting up some copy testing. Elliot was defining the specific communication task to be accomplished with the specific target audience. Fred was identifying the appropriate timing for the advertisements to best reach the target audience.
25. According to Table 6, Cindy works in which of the major advertising decision areas?
   a) Setting the advertising objectives
   b) Setting the advertising budget
   c) Creating the advertising message
   d) Selecting the advertising media
   e) Advertising evaluation

TABLE 7
The advertising agency for Consolidated Diversified's newest shampoo was trying to settle on the execution style for the ads. Maureen favoured just associating the shampoo with being sexy while making no direct claims about the product. Ned wanted to create a character to represent the product. Olive suggested getting people to tell how much they liked the product without a lot of hype. Peter advocated featuring how much experience Consolidated had in making shampoo while Linda said they should tie using it to the needs of active people on the go.

26. According to Table 7, Peter prefers which type of message execution style?
   a) Technical expertise
   b) Testimonial evidence
   c) Scientific evidence
   d) Fantasy
   e) Mood of image

27. The Alpha Corporation desires to increase the sales of its product in its present markets. Management has decided that this goal can be best accomplished by cutting the price of its product and increasing the advertising support provided for it. The Alpha Corporation is following the strategy of:
   a) market development.
   b) product development.
   c) market penetration.
   d) diversification.
   e) all of the above.

28. The form taken by human needs as they are shaped by culture and individual personality is referred to as:
   a) new products.
   b) existing products.
   c) human motivations.
   d) human wants.
   e) latent demand.
29. The set of firms and individuals that take title, or assist in transferring title, to a good or service as it moves from the producer to the final consumer or industrial user constitutes a:
   a) promotional channel.
   b) selling channel.
   c) product/service channel.
   d) distribution channel.
   e) wholesale channel.

30. Conflict between channel members at different levels in the channel is called simply:
   a) horizontal conflict.
   b) vertical conflict.
   c) functional conflict.
   d) middlemen conflict.
   e) member conflict.
PART C: Case Study  (15 Marks)
Answer the two questions at the end of the case study. Each question is worth 7.5 marks.
1) Describe the Wiggles in terms of the total product concept.

2) Are the Wiggles a fad? Speculate on the length of the product life cycle for the Wiggles and make suggestions to extend the product life cycle.