



Competency Based Competitive Events Written Exam Sample

Marketing Management



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1. What type of law is intended to enforce the rules and regulations of governmental agencies:

- A. Commercial
- B. Statutory
- C. Administrative
- D. Procedural

2. What is one way that management can obtain feedback from customers to improve the customer relationship?

- A. Follow up after a sale.
- B. Consider a questionnaire.
- C. Take a random poll.
- D. Observe shopping behavior.

3. Which of the following is a type of financial-services provider:

- A. Stock market
- B. Commercial bank
- C. Taxation department
- D. Retirement community

4. Businesses often access their competitors' web sites to obtain relevant _____ data.

- A. demographic
- B. population
- C. governmental
- D. secondary

5. When analyzing a market's purchasing behavior, a business considers the goods and services that customers buy on a regular basis, which are often called _____ products.

- A. recyclable
- B. temporary
- C. reusable
- D. staple

6. What do businesses develop to be able to link performance measures to the financial outcomes of marketing?

- A. Operational tactics
- B. Quantifying strategies
- C. Positioning procedures
- D. Bookkeeping methods

7. Why do businesses often evaluate vendor performance after orders have been delivered?

- A. To identify the most capable suppliers
- B. To establish product specifications
- C. To negotiate future discounts
- D. To organize the receiving areas

8. A common way for businesses to generate new product ideas is by reviewing

- A. customer surveys.
- B. sales receipts.
- C. status reports.
- D. employee records.

9. As a result of evaluating the product mix, a business might decide to

- A. implement product substitution.
- B. eliminate product liability.
- C. expand an existing product line.
- D. institute a product recall.

10. The type styles used in advertisements often are selected because they are

- A. condensed.
- B. distinctive.
- C. lowercase.
- D. italicized.

1. C

Administrative. Administrative law deals with the rules and regulations that have been established by governmental agencies. Most governmental agencies have an effect on business in some manner such as issuing licenses or prohibiting unfair trade practices. Administrative law implements the rules and regulations, which also involves resolving disputes. Statutory, commercial, and procedural are not types of law that enforce the rules and regulations of governmental agencies.

SOURCE: BL:074

SOURCE: Miller, R.L., & Jentz, G.A. (2005). *Fundamentals of business law* (6th ed.) [pp. 6-7]. Mason, OH: Thomson/South-Western.

2. A

Follow up after a sale. Management often needs to obtain feedback from customers to find out if they are satisfied with the business. One way to obtain feedback is to follow up after a sale to determine if the purchase experience was satisfactory, if the business lived up to the customer's expectations, and if there are any problems that need to be corrected. Obtaining this information will help the business to improve customer relations by addressing any issues that customers include in the feedback. Businesses need to develop and distribute a questionnaire to obtain feedback rather than simply consider one. Taking a random poll may not generate useful information from current customers. Observing shopping behavior is not a way of obtaining feedback.

SOURCE: CR:008

SOURCE: Rokes, B. (2000). *Customer service: Business 2000* (p. 137). Mason, OH: South-Western.

3. B

Commercial bank. A commercial bank provides a variety of financial services to individuals and businesses. Besides providing savings accounts and other savings options, banks also make loans and offer credit cards. Many large banks have trust departments and help individuals plan for retirement. Depending on the size of the bank, it may be possible to obtain all necessary financial services from that institution. The stock market itself does not provide financial services. A taxation department collects various types of taxes. A retirement community provides housing rather than financial services.

SOURCE: FI:075

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B.

(2005). *Business and personal finance* (pp. 124-129). New York: Glencoe/McGraw-Hill.

4. D

Secondary. Secondary data is information that has been collected for purposes other than the project at hand. Competitors' web sites are a good source of secondary data that often includes pricing information, descriptions of products, and company statistics. Businesses often access their competitors' web sites to obtain this type of secondary data that they can use when structuring their own pricing system or developing new products. Competitors' web sites usually do not contain population, governmental, or demographic data.

SOURCE: IM:280

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 612-613). New York: Glencoe/McGraw-Hill.

5. D

Staple. Staple goods are frequently purchased items that businesses keep on hand continuously because the demand for them is constant. Businesses analyze purchasing behavior so they can make sure that they can provide the products when the customers want them. It's important to analyze the market's purchasing behavior because customers buy different types of staple products at different intervals. For example, people tend to purchase bath soap more often than toothbrushes. Characteristics of staple items might be that they are temporary (consumable), reusable, or recyclable.

SOURCE: IM:305

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 514-515). New York: Glencoe/McGraw-Hill.

6. B

Quantifying strategies. Quantifying strategies are methods of determining or measuring amounts or quantities. When linking performance measures to the financial outcomes of marketing, businesses need ways to find out if sufficient quantities, whether in money or volume, were achieved to make the marketing effort worthwhile. For example, one strategy might involve calculating if increasing price by a certain percent resulted in the planned increase in sales revenue. If increasing price had a negative effect on sales, the money spent was not worth the return on investment. Businesses do not develop operational tactics, positioning procedures, or bookkeeping methods to link performance measures to the financial outcomes of marketing.

SOURCE: MP:020

SOURCE: Davis, J. (2007). *Measuring marketing: 103 key metrics every marketer needs* (pp. xiii, 167-169). Hoboken, NJ: John Wiley & Sons.

7. A

To identify the most capable suppliers. During the process of evaluating vendor performance, businesses are able to weed out those vendors that do not perform as promised. As a result, they are able to narrow their vendor list to include only those suppliers that are the most capable. The benefit is that businesses will know which vendors are most likely to perform well, even though this might mean buying from only a few suppliers. Businesses establish product specifications before contacting vendors. Businesses do not evaluate vendor performance to negotiate future discounts or to organize the receiving areas.

SOURCE: OP:162

SOURCE: Van Weele, A.J. (2002). *Purchasing and supply chain management: Analysis, planning and practice* (3rd ed.) [p. 69]. London: Thomson Learning.

8. A

Customer surveys. Businesses generate product ideas so that they can provide customers with the goods and services that they need and want. One way to find out what customers need and want is to review customer-satisfaction surveys. By reviewing the surveys, a business might learn about some unmet needs and wants which, in turn, stimulate product ideas. Sales receipts, status reports, and employee records probably would not be useful to businesses when generating product ideas.

SOURCE: PM:128

SOURCE: Grewal, D., & Levy, M. (2008). *Marketing* (pp. 641-642). Woodland Hills, CA: McGraw-Hill Irwin.

9. C

Expand an existing product line. The product mix is the particular assortment of goods and services that a business offers in order to meet the needs of its market and its company goals. The product line is a group of related product items within the product mix. As a result of evaluating the product mix, a business might decide to expand an existing product line because the items in that line are popular and selling well. By adding new items to an existing product line, a business might be able to increase sales and profit. Product liability is the producer's responsibility for any injury that the business's products may cause. Product substitution is suggesting a product other than the original request when the business does not have the item requested. Product recall is the removal from the marketplace of a product that is defective or hazardous to consumers.

SOURCE: PM:237

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 635-640). New York: Glencoe/McGraw-Hill.

10. B

Distinctive. Certain type styles are more distinctive and unusual than others. In many cases, the type styles used in advertisements are selected because they stand out and are distinctive. The intent is to attract the readers' attention and encourage them to continue reading. Often, distinctive type styles are used in headlines to set one advertisement apart from all of the others. Most type styles are available in both a condensed and an italicized form. All type styles include lowercase letters. However, the style is used because it is distinctive.

SOURCE: PR:326

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006).
Marketing essentials (pp. 431-433). New
York: Glencoe/McGraw-Hill.