



## MARKETING CLUSTER CORE SAMPLE EXAM QUESTIONS

The Marketing Cluster Core Sample Exam will assist in preparing participants in the following events:

1. Advertising Campaign Event
2. Apparel and Accessories Marketing Series Event
3. Automotive Services Marketing Series Event
4. Business Services Marketing Series Event
5. Buying and Merchandising Team Decision Making Event
6. Fashion Merchandising Promotion Plan Event
7. Food Marketing Series Event
8. Marketing Communications Team Decision Making Event
9. Marketing Management Series Event
10. Professional Selling Event
11. Retail Merchandising Series Event
12. Sports and Entertainment Marketing Series Event
13. Sports and Entertainment Marketing Team Decision Making Event
14. Sports and Entertainment Promotion Project

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

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1. Loggins Forestry and Mill Company sells wood to Henderson Wood Products. Henderson sells the wood to Franklin Construction Company, who uses the wood to build homes and office buildings. What is the channel of distribution for the wood products?
  - A. Agent to industrial user to retailer to consumer
  - B. Producer to industrial user to consumer
  - C. Agent to wholesaler to consumer
  - D. Producer to industrial distributor to user
  
2. Your supervisor has asked you to prepare a marketing status report for each of the company's six regional offices. The most appropriate way to organize the information is
  - A. by site location.
  - B. by sales function.
  - C. in chronological order.
  - D. in reverse sequence.
  
3. Which of the following is an example of a brand promise:
  - A. Low credit terms are available for qualified customers until January, 2012.
  - B. Leather sofas only \$499 this weekend—buy now at Fred's Furniture Warehouse.
  - C. Henderson Photography...uniquely capturing your special moments is our priority.
  - D. For your convenience, four Cup O' Joe locations are open in the greater-metro area.
  
4. If one U.S. dollar is equal to \$1.01018 Canadian dollar, how much would you pay for a 16-gigabyte iPhone that costs \$299 U.S. dollars in Canadian dollars?
  - A. \$306.05
  - B. \$304.05
  - C. \$300.05
  - D. \$302.05
  
5. Which of the following financial services providers is most likely to provide a small, local coffee shop with business loans, checking and savings accounts, and overdraft protection:
  - A. Eastern Region Investment Bank
  - B. Marley and Winston Commercial Bank
  - C. Walker, Steinbrenner, and Houghton, CPA Firm
  - D. Allen and Mellon Brokerage Firm
  
6. Which of the following is an example of an unethical practice related to obtaining marketing information about a competitor:
  - A. An OQR business associate poses as a security guard at the PRW Corporation's headquarters to obtain information about the corporation's business activities.
  - B. A marketing-research firm conducts a focus group and fails to fully disclose important facts about the way in which the firm will use the participants' feedback.
  - C. BCT Technologies employs staff to search its competitors' web sites and government databases to obtain information about its competitors.
  - D. INV Company sells its mailing list to LMN Industries and the TQS Manufacturing Company without the consent of its customers.
  
7. In its marketing plan, ROKE Athletic Shoes states that it wants to increase its market share for 25- to 40-year-old professional females by six percent in the next eight months. ROKE's marketing objective is related to
  - A. changes in market delivery.
  - B. its target market.
  - C. product.
  - D. promotion.

8. Determine if the following statement is true or false: The primary purpose of quality-control measures is to evaluate employee efficiency levels.
- A. False—the primary purpose of quality-control measures is to evaluate the degree of excellence of goods and services.
  - B. False—businesses also use quality-control measures to evaluate products, processes, and other business functions.
  - C. True—businesses must evaluate their employees' performance to ensure that they are producing high-quality goods and services.
  - D. True—employees perform the work, so they are responsible for developing and implementing product-quality measures.
9. Companies A, B, and C sell similar products. Together, they recently decided to sell their products for the same price. In what unethical activity are the businesses engaging?
- A. Bait-and-switch
  - B. Price fixing
  - C. Loss-leader pricing
  - D. Gray markets
10. During one scene of a popular television show, an actor pours a box of brand-name cereal into a bowl and begins to eat it. This is an example of
- A. product programming.
  - B. brand awareness.
  - C. brand identification.
  - D. product placement.

**KEY**

1. D

Producer to industrial distributor to user. In the example, Loggins is the producer because it grows the trees and mills the timber into usable units. Henderson is the industrial distributor (wholesaler) because it sells smaller amounts of the wood products to users such as the Franklin Construction Company. Franklin uses the wood products to build homes and office buildings. Homes and buildings are sold to the ultimate consumers. Agents are businesses or individuals who assist in the sale and/or promotion of products but do not buy them from the producer. Retailers purchase finished goods to resell to the consumer.

SOURCE: CM:001

SOURCE: CM LAP 2—Channel It (Channels of Distribution)

2. A

By site location. When preparing reports, you should organize the content in the way that will make the most sense to the reader. In the example, the supervisor is asking for a status report for different offices, which indicates that the supervisor will likely want to scan the information by location to quickly review the status of each office or site. Another way to organize the information might be by listing each activity (e.g., advertising, sales) with each site's status included in each activity; however, this format may be cumbersome and difficult to determine each site's status at a glance. Presenting facts in chronological order involves describing the steps or historical events in the sequence in which they occur. Reverse sequence involves describing the steps or historical events in the opposite order.

SOURCE: CO:086

SOURCE: Blake, G. (2002, August). *How to organize information*. Retrieved December 20, 2010, <http://www.irmi.com/expert/articles/2002/blake08.aspx>

3. C

Henderson Photography...uniquely capturing your special moments is our priority. The brand promise is a company's agreement (spoken or unspoken) with customers that it will consistently meet their expectations and deliver on its brand characteristics and values. Henderson Photography tells you exactly what you can expect every time you purchase its services—unique photos to capture special moments. Fred's Furniture is offering sale prices for a limited time. The business offering credit terms to qualified customers has also placed time restrictions on its offer and has limited the offer to some rather than all customers. Rather than a brand promise, the businesses are using promotion. Cup O' Joe's is communicating the convenience of having four locations.

SOURCE: CR:001

SOURCE: Hinge. (2010). *Elements of a successful brand 4: Brand promise*. Retrieved December 17, 2010, from [http://hingemarketing.com/library/article/elements\\_of\\_a\\_successful\\_brand\\_4\\_brand\\_promise/?pivot/archive/2007-06/index.html](http://hingemarketing.com/library/article/elements_of_a_successful_brand_4_brand_promise/?pivot/archive/2007-06/index.html)

4. D

\$302.05. An exchange rate is the value of a country's currency in relation to other countries' currency values. Exchange rates fluctuate on a regular basis. Businesses monitor these changes because dramatic changes in currency values can affect their profits. To calculate the amount that you would pay in Canadian dollars, multiply the iPhone price in U.S. dollars by the value of the Canadian dollar ( $\$299 \times 1.01018 = \$302.04382$  or  $\$302.05$ ).

SOURCE: EC:100

SOURCE: XE. (2010). *Universal currency converter*. Retrieved December 17, 2010, from <http://www.xe.com/ucc/convert.cgi?Amount=265.00&From=USD&To=CAD&x=57&y=16>

5. B

Marley and Winston Commercial Bank. Commercial banks provide a variety of financial services for businesses and individuals, such as checking and savings accounts, loans, credit cards, and overdraft protection. Investment banks primarily work with corporations by underwriting securities, aiding in mergers and acquisitions, etc. CPA (Certified Public Accountant) firms provide accounting services. A brokerage firm buys and sells securities on behalf of investors.

SOURCE: FI:075

SOURCE: WebFinance. (2010). *Commercial bank*. Retrieved January 6, 2011, from [http://www.investorwords.com/955/commercial\\_bank.html](http://www.investorwords.com/955/commercial_bank.html)

6. A

An OQR business associate poses as a security guard at the PRW Corporation's headquarters to obtain information about the corporation's business activities. It is legal for businesses to monitor their competitors by analyzing public information posted on web sites and in databases; however, some businesses have gone to great lengths to obtain "dirt" on their competitors in unethical ways. Planting spies in competitors' offices and sifting through competitors' trash are extreme and unethical actions that some businesses have used to gather information about their competitors' business activities. A failure to disclose information to focus group participants is unethical but does not involve information about the competition. Selling a mailing list to a third party without consent is an unethical action that affects a business's customers.

SOURCE: IM:025

SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [pp. 99-100]. Upper Saddle River, NJ: Prentice-Hall.

7. B

Its target market. A comprehensive marketing plan addresses many different types of marketing objectives such as promotions, channels of distribution, product development, and target market. ROKE set a specific, measurable, and time-bound goal to increase its market share for a specific target market—25- to 40-year-old professional females. Objectives that address changes in market delivery relate to the channels of distribution or place. Product objectives involve the business's goods and services (e.g., product development). Promotion objectives are goals that address the ways in which the business communicates information about its goods and services to its target market.

SOURCE: MP:001

SOURCE: MP LAP 2—Pick the Mix (Nature of Marketing Strategies)

8. B

False—businesses also use quality-control measures to evaluate products, processes, and other business functions. Quality control is ensuring the degree of excellence of a good, service, process, or activity. Efficiency levels are one measure that evaluates a variety of business processes and activities, including employee efficiency levels. If employees are not performing as efficiently as they could, there could be a problem with equipment, a process, or a procedure. Governments, industries, and management develop product-quality standards.

SOURCE: OP:163

SOURCE: Madison, N., & Foster, N. (2010, December 14). *What is quality control?* Retrieved December 30, 2010, from <http://www.wisegEEK.com/what-is-quality-control.htm>

9. B

Price fixing. Price fixing is an unethical activity in which businesses agree on the prices of their goods and services resulting in little choice for the consumer. In some countries, price fixing is illegal because it restricts competition. Bait and switch refers to an advertising scheme in which a business promotes a low-priced item to attract customers to whom the business then tries to sell a higher priced item. Loss leader pricing involves pricing a product below cost to attract customers to the business. Gray markets involve selling goods to unauthorized dealers for very low prices.

SOURCE: PI:017

SOURCE: Soloman, M.R., Marshall, G.W., & Stuart, E.W. (2008). *Marketing: Real people, real choices* (5th ed.) [pp. 363-364]. Upper Saddle River, NJ: Pearson Prentice Hall.

10. D

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

SOURCE: PR:249

SOURCE: Soloman, M.R., Marshall, G.W., & Stuart, E.W. (2008). *Marketing: Real people, real choices* (5<sup>th</sup> ed.) [p. 428]. Upper Saddle River, NJ: Pearson Prentice Hall.