1. Which of the following best describes the process of marketing?
   a. the process of developing promotional and operational strategies to sell a product
   b. the process by which a business attempts to raise awareness of the manner in which its goods and services are produced.
   c. all forms of promotion, such as advertising, publicity and public relations
   d. the process of developing a product and implementing a series of strategies aimed at promoting, pricing and distributing the product to a core group of customers

2. Rock'n Radio has developed a competition seeking to increase the number of male listeners to their radio station. Which strategic role of marketing is this concerned?
   a. choice
   b. market share
   c. standard of living
   d. brand awareness

3. Which of the following strategies could a business use to increase its market share?
   a. market research
   b. discount pricing
   c. product testing
   d. quality control procedures

4. Which of the following is a product that is sold in the niche market?
   a. a product that has appeal to a limited number of individuals
   b. a product that is characterised by a high price and low sales
   c. a product that has appeal to a number of different groups
   d. a product with features and attributes that are very similar to those of competitors' products

5. Sam is a sugar farmer, located in North Queensland. He sells sugar cane to sugar manufacturers. Which of the following markets does this business operate in?
   a. resource market
   b. mass market
   c. market segment
   d. select market

6. With information obtained from market research, Denise hopes to establish a product that is more can be sold based on the benefits it brings to consumers. Which of the following approaches to marketing does Denise hope to adopt?
   a. production
   b. selling
   c. marketing
   d. societal
7. ‘Turn on tomorrow and I’m Lovin’ it’ are the slogans that Samsung and McDonalds use to promote the quality of their products. Which form of orientation do these slogans emphasise?

   a. selling  
   b. marketing  
   c. societal  
   d. production

8. Which of the following statements best describes the relationship between the marketing and finance functions of a business?

   a. The finance department work closely with the marketing department to incorporate product features that consumers will respond positively too based on expected costs and profitability.  
   b. The finance department produces goods and services within a budget developed by the marketing department.  
   c. The finance department is responsible for the recruitment of staff, who then produce goods and services favourable to the needs and wants of consumers.  
   d. The finance department develops goods and services from which the marketing function becomes responsible for promoting.

9. Ready Hire Labour are one of Australia’s recruitment agencies. Which type of market does this business operate within?

   a. Resource  
   b. Industrial  
   c. Intermediate  
   d. Consumer

10. Helsam Electronics have developed a marketing strategy that incorporates an emphasis on production quality, discount pricing and a wide distribution of its stores. Which of the following approaches is the business using?

    a. Production  
    b. Selling  
    c. Marketing  
    d. Relationship

Answers 1d, 2b, 3b, 4a, 5a, 6b, 7a, 8a, 9a, 10c
2. Cheryl visits a jewellery store hoping to purchase a branded watch that was advertised as being priced ‘below cost’. When Cheryl asks the salesperson to show her the watch, she is told that there was only a very limited number and they were sold that morning. Cheryl is then directed towards a more expensive brand of watch. Which of the following describes this practice?
   a) bait and switch advertising  
   b) sugging  
   c) retail price maintenance  
   d) higher costs

3. Hannah’s Hamburgers are advertising their gluten free. A independent food test shows this not to be the case. Which of the following processes is the business engaging in?
   a) Deceptive advertising  
   b) Price discrimination  
   c) Taste in Advertising  
   d) Sugging

4. Restrictions on the types of goods and services consumers may purchase are reflected through which part of consumer behaviour?
   a) their personality  
   b) their culture  
   c) their income  
   d) government policies

5. People of similar age, income and ethnicity will not always buy the same types of goods. What factor influencing consumer choice is reflective of this?
   a) culture  
   b) lifestyle  
   c) socioeconomic status  
   d) government

6. What are two economic factors influencing consumer behaviour?
   a) culture and lifestyle  
   b) income and financial commitments  
   c) culture and socioeconomic status  
   d) perception and culture

7. A new website has been established allowing consumers to share their dining experiences across the many Sydney restaurants. Which of the following factors would affect consumer choice?
   a) socioeconomic status  
   b) culture  
   c) income  
   d) learning
8. A consumer’s decision to buy inexpensive clothing brands would be influenced by which factor?
   a. culture
   b. personality and self-concept
   c. income
   d. motivation

9. The Reserve Bank of Australia has lowered interest rates as way of encouraging consumers to increase their level of spending. Which government policy is this an example of?
   a. monetary policy
   b. fiscal policy
   c. microeconomic reform
   d. industry reform

10. Which of the following represents a criticism of the concept of suggiing?
    a. its ability to promote products in a misleading manner
    b. consumers are made to believe that the purpose of the questionnaire is legitimate market research
    c. consumers pay higher prices
    d. the business is able to identify the needs of consumers in a deceptive way

Answers 1a, 2a, 3a, 4d, 5a, 6b, 7d, 8c, 9a, 10b  

1. Wrap a Way is a recognised and trusted plastic wrap used by many Australians in their kitchens. In a SWOT analysis, what would Wrap a Way’s reputation be considered to be?
   a. a strength
   b. a weakness
   c. an opportunity
   d. a threat

2. A business is experiencing cash flow shortages due to a lack of awareness amongst its primary target market. During which stage of the product life cycle is the business presently in?
   a. establishment
   b. growth
   c. post-maturity—decline
   d. post-maturity—renewal

3. Which of the following is a benefit of market segmentation?
   a. develop and sell its product to a number of different markets
   b. identify the characteristics of people who will most likely purchase its product and then develop appropriate promotional and pricing strategies
   c. choose a price that appeals to a select group of customers
   d. examine the purchasing trends of its target market
4. What is the name given to the types of products that appeal to a diverse group of customers?
   a. target market
   b. market segment
   c. niche market
   d. mass market

5. Which statement best describes a product targeted at a niche market?
   a. a product with high turnover and a large consumer base
   b. a product with appeal to large groups of customers
   c. a specialised product with appeal to one segment of a market
   d. a product with little or no differentiation between it and competing products but with wide appeal

6. Mighty Milk has released a new style of milk aimed at providing sporting minded children. Which word best describes the market to which this product is targeted?
   a. consumer
   b. mass
   c. differentiated
   d. niche

7. Annie is a new magazine aimed at people with interests in live theatre and musics. To which type of market is this product being targeted?
   a. micro
   b. niche
   c. concentrated
   d. segment

8. Market objectives can, at best, guide the operations of a business but cannot dictate its actual progress. What would be the best reason for this?
   a. a business may lack the human and financial resources necessary to achieve the objectives
   b. any business is subject to the forces of its external environment, which can easily impact on the operations of the business
   c. management may decide to review the marketing plan and alter any strategies that it regards as ineffective
   d. market objectives tend to have a short-term time frame and therefore are in constant need of change

9. Which of the following best describes the purpose of market research?
   a. the process of examining market trends and their impact on the operations of a business
   b. the study of consumers' buying behaviour
   c. a process of gathering information relevant to the needs of the business and those of its clients
   d. the study of the operations and practices of a business's competitors
10. Which of the following describes primary forms of market research?
   a data that have been collected by the business for a specific purpose
   b data that have been previously collected by the business and are used for a different purpose
   c data that are not collected by the business and are to be used for a specific purpose
   d data that have been not been collected by the business and are used for a variety of purposes

Answers 1a, 2a, 3b, 4d, 5c, 6d, 7b, 8c, 9c, 10a

1. Cell Net has released a new mobile phone targeted towards people aged 18–39 years who seek internet and live television services from their phone. Which form of market segmentation is the business using?
   a demographic
   b geographic
   c psychological
   d behavioural

2. Which statement best describes behavioural segmentation?
   a Market segmentation based on the use of particular products by a certain group of customers.
   b market segmentation based on the earning capacity of individuals
   c market segmentation based on a target group's age, gender and economic status
   d market segmentation based on an individual's lifestyle and personality

3. Airlines are well known for their ability to offer consumers a basic product at several different price levels. At each level, the features that the consumer will receive differ. What form of pricing strategy would such a business be using?
   a penetration pricing
   b price lining
   c market skimming
   d competitive pricing

4. Which of the following examples presents the pricing strategy of penetration pricing?
   a Tonasonic releases a new DVD recorder that is unlike any of its competitors’ products and it is priced very low to quickly establish a market share
   b Jetfly Airlines has reduced its prices as a result of its competitors lowering their prices
   c Hannah introduces a buy one get one free promotion for her cafe’s new lunch menu
   d Red Star Medical has released a new form of medicine to relieve chronic arthritis and, in order to recover the research and development costs, the business is charging a high price for the product
5. What is meant by the position of a product?
    a. the image of the product in the mind of the consumer
    b. the location of the product in retail stores
    c. the image of the product against its competitors
    d. the location of the product in wholesale stores

6. A business’s reputation, logo and slogan and consumers’ expectations of its product are features of which element of the marketing mix?
    a. positioning
    b. branding
    c. packaging
    d. price and quality

7. Nadton Motors is seeking to expand their location across Sydney’s inner west. Which element of the marketing mix is being used?
    a. product
    b. price
    c. promotion
    d. place

8. Why does the marketing mix need to be differentiated when selling goods in different countries?
    a. it ensures promotion does not offend customers in the domestic market
    b. people in different countries like different things
    c. it can make marketing appropriate for the foreign market in which it is sold
    d. it advertises the product

9. Fun Tah is a soft style beverage. Its manufacturer has decided to first sell the product where possible. Which form of distribution is being used?
    a. intensive
    b. selective
    c. exclusive
    d. mass

10. What are global brands?
    a. they are logos that are easily recognised in different languages
    b. they are the products that are sold worldwide
    c. they are the name used to identify a range of products worldwide
    d. they are a method of promotion used in different countries by the same business

Answers 1d, 2a, 3b, 4b, 5c, 6b, 7d, 8b, 9a, 10b

Extended response task

With reference to a business that you have studied, describe the methods of market segmentation and assess the effectiveness of the businesses marketing strategies.