**Ch. 1 Tools and Responsibilities**

**MULTIPLE CHOICE**

**1. Marketing is a(n) .**

1. Art
2. Science
3. Discipline
4. Theory

Ans: c

Bloom: Knowledge Level: Easy

Learning Objective: Knowing what marketing truly is

Section Reference: Introduction Paragraph

Page: 4

**2. Successful decision-making requires a keen understanding of the firm and its environment as a .**

1. Direct relationship
2. Self-balancing system
3. Non-balancing system
4. System of reactions

Ans: b

Bloom: Application Level: Hard

Learning Objective: Understanding steps for successful decision-making

Section Reference: The Big Picture Framework

Page: 5

**3. Which of the following is not one of the first steps of the Big Picture Framework?**

1. Target market objective
2. Marketing objective
3. Business objective
4. Source of volume

Ans: a

Bloom: Knowledge Level: Easy

Learning Objective: Knowing the first 3 phases of the Big Picture Framework

Section Reference: Figure 1.1

Page: 6

**4. Which of the following is not a part of the STP segment of the Big Picture Framework?**

1. Segment
2. Strategy
3. Position
4. Target

Ans: b

Bloom: Knowledge Level: Easy

Learning Objective: Knowing the second phase of the Big Picture Framework

Section Reference: Figure 1.1

Page: 6

**5. determines the perspective from which companies will conduct their strategic analysis.**

1. Firm strategy
2. Business objectives
3. Fundamental entity
4. Customer needs

Ans: c

Bloom: Comprehension Level: Medium

Learning Objective: Showing that the student understands the meaning of Fundamental Entity

Section Reference: Business Objective

Page: 6

**6. Channel members should ask themselves “what are we good at?” to determine .**

1. Market advantage
2. Core competence
3. Best practices
4. Potential customers

Ans: b

Bloom: Knowledge Level: Medium

Learning Objective: Testing student knowledge the meaning of determining a core competence

Section Reference: Business Objective

Page: 6

**7. A is something a company uses as a success criteria.**

1. Report
2. Benchmark
3. Objective
4. Goal

Ans: d

Bloom: Knowledge Level: Easy

Learning Objective: Testing knowledge of the term goal

Section Reference: Business Objective

Page: 7

**8. After identifying a firm’s skills and goals, a marketer should turn her attention to \_\_\_\_.**

1. The customer
2. Identifying a marketing strategy
3. The firm’s organizational structure
4. The company’s investors

Ans: a

Bloom: Application Level: Hard

Learning Objective: Testing the students’ knowledge about the third part of marking objectives to identify.

Section Reference: Marketing Objective

Page: 7

**9. Decisions made in regards to competitive comparison, market leading, usage, and marketing objectives will determine .**

1. Firm’s revenue
2. Long-term planning
3. Strategic focus
4. Budgets

Ans: c

Bloom: Comprehension Level: Medium

Learning Objective: Testing the students’ comprehension of source of growth theory.

Section Reference: Source of Growth

Page: 7

**10. Which is not a crucial link between strategy and execution?**

1. Segmentation
2. Targeting
3. Planning
4. Positioning

Ans: c

Bloom: Knowledge Level: Easy

Learning Objective: Testing the students’ knowledge of stage of the Big Picture Framework where the link exists between strategy and execution.

Section Reference: Segmentation, targeting, and positioning

Page: 7

**11. Which of the following is the crucial point of contact between the firm and the customer?**

1. Product
2. Price
3. Place
4. Customer Equity

Ans: a

Bloom: Knowledge Level: Medium

Learning Objective: Testing the students’ knowledge of product purpose

Section Reference: Product

Page: 8

**12. The strategy that focuses on profits is .**

1. Pricing
2. Service
3. Channel
4. Travel

Ans: a)

Bloom: Knowledge Level: Easy

Learning Objective: Testing knowledge of concept of price strategy

Section Reference: Pricing Strategy

Page: 8

**13. planning and management form a complex and dynamic process for directing the flow of products, money, and information.**

1. Corporate
2. Strategy
3. Operation
4. Channel

Ans: d

Bloom: Application Level: Medium

Learning Objective: Testing if student can apply the concept of channel planning.

Section Reference: Channel strategy

Page: 8

**14. What strategy do marketers use first and foremost to evaluate added value to the end product?**

1. Channel
2. Price
3. Service
4. Product

Ans: a

Bloom: Application Level: Medium

Learning Objective: Seeing if students understand the first step of the channel strategy

Section Reference: Channel strategy

Page: 8

**15. Which of the following strategies must marketers consider in regards to digital marketing?**

1. Price
2. Communication
3. Channel
4. Product

Ans: b

Bloom: Knowledge Level: Easy

Learning Objective: Testing the students’ knowledge on relevance of digital marketing.

Section Reference: Communications Strategy

Page: 8

**16. Marketers must consider the growing amounts of communication during what strategy?**

1. Communications
2. Channel
3. Channel communications
4. Planning

Ans: a

Bloom: Application Level: Easy

Learning Objective: Seeing if students are looking at new technologies when planning.

Section Reference: Communications Strategy

Page: 8

**17. What should a marketer use to evaluate effectiveness and efficiency?**

1. Metrics
2. Accounting
3. Original plan
4. Benchmarks

Ans: a

Bloom: Application Level: Easy

Learning Objective: Learning the use of metrics

Section Reference: Metrics

Page: 8

**18. What is a topic that affects both an individual’s personal and professional life?**

1. Decision-making
2. Finances
3. Ethics
4. Conflict

Ans: c

Bloom: Application Level: Easy

Learning Objective: Seeing if students can apply theory to real life situation.

Section Reference: Ethical practice in marketing

Page: 9

**19. Who should lead a firm’s cultural and ethical standards?**

1. The firm
2. CEO
3. Employees
4. Customers

Ans: a

Bloom: Knowledge Level: Medium

Learning Objective: Testing the students’ knowledge about who should lead an organizations’ culture.

Section Reference: Ethical practice in marketing

Page: 9

**20. In business, one must consider the impact of ethical actions will have on the:**

1. Self
2. Customer
3. Firm
4. All of the above

Ans: d

Bloom: Knowledge Level: Easy

Learning Objective: Seeing if students knows who is affected by ethics.

Section Reference: The Challenge of Studying Ethics

Page: 9

**21. In order to be perfectly ethical, an individual must always know what is right and \_\_\_\_.**

1. Always do what is right
2. Choose the least riskiest option
3. Know what others want
4. Predict the impact of their actions

Ans: d

Bloom: Knowledge Level: Hard

Learning Objective: Knowing impact of actions that involves using ethics as a guiding principle.

Section Reference: The challenge of studying ethics

Page: 9

**22. What is the emphasis of this class’ textbook?**

1. Marketing
2. Marketing as an art
3. Marketing as a system
4. Physics

Ans: c

Bloom: Knowledge Level: Easy

Learning Objective: Making sure students know the emphasis of their textbook.

Section Reference: The challenge of studying ethics

Page: 9

**23. What is the first task in ethics**?

1. Learning about ethics
2. Doing the right thing
3. Learning about the culture
4. Doing what you want

Ans: b

Bloom: Application Level: Medium

Learning Objective: Applying the first step of ethics

Section Reference: Doing the right thing

Page: 10

**24. Ethical firms enjoy all of these advantages, except for what concept?**

1. Recruiting
2. Employee retention
3. Greater brand equity
4. Less competition

Ans: d

Bloom: Comprehension Level: Medium

Learning Objective: Having students demonstrate their knowledge of differing effects of ethics

Section Reference: Doing the right thing.

Page: 10

**25. Individuals as a whole should not consider right and wrong in business because \_\_\_\_.**

1. Opinions differ
2. Customers may be offended
3. Right and wrong is irrelevant
4. Right and wrong is an inherent subject

Ans: d

Bloom: Knowledge Level: Medium

Learning Objective: Showing knowledge of why right and wrong may not to applied to business

Section Reference: Doing the right thing.

Page: 10

**26. is an international think-tank dedicated to advancing ethical business practices.**

1. Ethisphere
2. Ethicenter
3. Ethics Advancement Society
4. Business Ethics Change

Ans: a

Bloom: Knowledge Level: Hard

Learning Objective: Knowing international groups of marketing ethics.

Section Reference: Side note

Page: 10

**27. The second part of the ethical puzzle is the impact of behaviors on \_\_\_\_\_.**

1. Ourselves
2. Others
3. Customers
4. Employees

Ans: b

Bloom: Knowledge Level: Hard

Learning Objective: Testing high-level knowledge by asking in-depth questions about ethics.

Section Reference: Having a positive impact

Page: 10

**28. When making decisions, managers must consider of different stakeholders, including which of the following?**

1. Ourselves
2. Managers
3. Employees
4. All of the above

Ans: d

Bloom: Application Level: Easy

Learning Objective: Testing the purpose of decision making and whom it concerns.

Section Reference: Individuals that are affected by decisions.

Page: 10

**29. In marketing it is difficult to try to quantify the net impact of \_\_\_ made.**

1. Decisions
2. Plans
3. Changes
4. Hiring(s)

Ans: a

Bloom: Knowledge Level: Hard

Learning Objective: Knowing it is hard to measure net impacts of decisions when quantify it.

Section Reference: Individuals that are affected by decisions

Page: 11

**30. To find quantifiable impact of decisions, individuals must first determine units of output and \_\_\_\_.**

1. Target goal
2. Profits
3. Spending
4. Time frame

Ans: d

Bloom: Knowledge Level: Medium

Learning Objective: Testing the students’ knowledge of quantifiable impacts.

Section Reference: Defining quantifiable impacts of decisions

Page: 11

**31. What is the purpose of expected value analysis?**

1. Estimating
2. Planning
3. Decision-making
4. Probability

Ans: c

Bloom: Application Level: Hard

Learning Objective: Seeing if students have a high comprehension of expected value analysis

Section Reference: Expected value analysis

Page: 12

**32. A company assesses the probability that will occur.**

1. Results
2. Outcomes
3. Profits
4. Final product

Ans: b

Bloom: Knowledge Level: Hard

Learning Objective: Checking for a high level of knowledge

Section Reference: Understanding the probability that ethical decisions will have a positive impact.

Page: 12

**33. What is the second reason to engage in ethical practices that leads continues long-time?**

1. Profitability
2. Growth
3. Sales
4. Customers

Ans: a

Bloom: Knowledge Level: Medium

Learning Objective: Testing knowledge of ethical practices

Section Reference: Achieving sustainable growth

Page: 13

**34. Companies can use to change the culture if needed.**

1. Corporate Change
2. New polices
3. Employee layoff
4. Legal recourse

Ans: d

Bloom: Comprehension Level: Medium

Learning Objective: Seeing if students know options for recourse

Section Reference: Personal ethics and business ethics

Page: 13

**35. What is one of the biggest ethical battles listed in the textbook?**

1. Nuclear Arms
2. Alcohol
3. Cigarettes
4. Firearms

Ans: c

Bloom: Knowledge Level: Medium

Learning Objective: Seeing if students know the biggest ethical example in modern history

Section Reference: Personal ethics and business ethics

Page: 14

**36. Ethics are connected to what concept?**

1. Nothing
2. The Big Picture Framework
3. Business
4. Customers

Ans: b

Bloom: Knowledge Level: Easy

Learning Objective: Testing connections between ethics and the Big Picture Framework

Section Reference: Ethics and the Big Picture Framework

Page: 14

**37. By engaging in ethical practices, humans establish what pattern?**

1. Viewing the past
2. Worldviews
3. Thoughts
4. Behavior

Ans: d

Bloom: Knowledge Level: Medium

Learning Objective: Knowing what to establish

Section Reference: Ethics and the Big Picture Framework

Page: 14

**38. is when conflict between a firm’s responsibility to its shareholders and to its customers.**

1. A sale
2. Business model
3. Business objective
4. Business conflict

Ans: c

Bloom: Knowledge Level: Medium

Learning Objective: Knowing business objectives

Section Reference: Business Objectives

Page: 14

**39. Ethical issues are pervasive along the strategy-execution continuum of the \_\_\_\_\_.**

1. Big Picture Framework
2. Planning process
3. Result Analysis
4. Reports

Ans: a

Bloom: Knowledge Level: Medium

Learning Objective: Knowing the ethical impact of the Big Picture Framework

Section Reference: Figure 1.2

Page: 15

**40. A firm primarily engaged in \_\_\_ customers is at great risk of acting in an unethical fashion than one seeking growth from existing customers.**

1. Acquiring
2. Acquitting
3. Answering
4. Reporting

Ans: a

Bloom: Application Level: Medium

Learning Objective: Applying Marketing Objectives

Section Reference: Marketing Objective

Page: 15

**41. What is associated with competitive focus?**

1. Source of volume
2. Growth
3. Production
4. Sales

Ans: a

Bloom: Knowledge Level: Medium

Learning Objective: Testing source of volume

Section Reference: Source of Volume

Page: 16

**42. Successful decision-making requires a keen understanding of the firm and its environment as a .**

1. Decision-making system
2. Decision-balancing system
3. Self-balancing system
4. Self-making system

Ans: d

Bloom: Knowledge Level: Easy

Learning Objective: Describe the structure of the Big Picture Framework

Section Reference: The Big Picture Framework

Page: 5

**43. To be effective, companies facing a marketplace so dynamic need to find tools and approaches that can anything EXCEPT**

1. Decision-making
2. Organize
3. Self-making
4. Synthesize

Ans: c

Bloom: Knowledge Level: Easy

Learning Objective: Describing the structure of the Big Picture Framework

Section Reference: The Big Picture Framework

Page: 5

**44. What are the key organizational skills that drive sustainable growth?**

1. Core competency
2. Fundamental entity
3. Marketing objective
4. The Big Picture framework

Ans: a

Bloom: Knowledge Level: Easy

Learning Objective: Identifying the main principles of Ethical Practice in Marketing

Section Reference: Business Objective

Page: 6

**45. Which is NOT the question that should be asked for business objective?**

1. Who are we as a firm?
2. What are we good at?
3. Where are we going?
4. When are we starting?

Ans: d

Bloom: Application Level: Medium

Learning Objective: Describing the structure of the Big Picture framework

Section Reference: Business Objective

Page: 6

**46. The first order of business is to really understand the strength, weaknesses, and of our own firm.**

1. Opportunities
2. Threats
3. Goals
4. Ideas

Ans: c

Bloom: Knowledge Level: Easy

Learning Objective: Describing the structure of the Big Picture framework

Section Reference: Business Objective

Page: 6

**47. What is the key intersection of customer and competitive attention that represents our best strategic opportunity?**

1. Core competence
2. Fundamental entity
3. Goal
4. Strategic focus

Ans: d

Bloom: Knowledge Level: Medium

Learning Objective: Describing the structure of the Big Picture framework

Section Reference: Source of Growth

Page: 7

**48. is a crucial point of contact between the firm and the customer**

1. Distribution
2. Price
3. Product
4. Promotion

Ans: c

Bloom: Knowledge Level: Medium

Learning Objective: Describing the structure of the Big Picture framework

Section Reference: Product

Page: 8

**49. We consider separately from hard goods because there are clear strategic and tactical between them. They are intangible and are performed not produced.**

1. Channel strategy
2. Communication strategy
3. Pricing strategy
4. Service as product

Ans: d

Bloom: Application Level: Easy

Learning Objective: Describing the structure of the Big Picture framework

Section Reference: Service as product

Page: 8

**50. affects everything from source of growth to segmentation and positioning to distribution and product strategy. We can see it as a symptom of either healthy or unhealthy marketing practice.**

1. Channel strategy
2. Communication strategy
3. Pricing strategy
4. Service as product

Ans: c

Bloom: Application Level: Medium

Learning Objective: Distinguishing between personal and business ethics issues

Section Reference: Pricing strategy

Page: 8

**51. What is the ongoing effort to act in accordance with the guiding moral principles that reflect an assessment of right and wrong and to consider the impact of individual actions?**

1. Ethics
2. Ethical Objective
3. Ethical Practice
4. Ethical Standard

Ans: c

Bloom: Knowledge Level: Medium

Learning Objective: Distinguishing between personal and business ethics issues

Section Reference: The challenge of studying ethics

Page: 9

**52. Which of these is not one of the three variables to consider as a company addresses the aspect of behavior?**

1. What are we good at?
2. What is the quantifiable impact of our decision?
3. What is the probability that our ethical decisions will have a positive impact?
4. Whom are we affecting?

Ans: a

Bloom: Application Level: Medium

Learning Objective: Integrating ethical questions into the Big Picture framework

Section Reference: Having a positive impact

Page: 10

**53. When we make a decision of \_\_\_\_\_\_\_\_\_\_ as a manager, we must consider a number of different stakeholders; other people in our firm, our customers, our shareholders, our partners and society as a whole.**

1. What are we good at?
2. What is the quantifiable impact of our decision?
3. What is the probability that our ethical decisions will have a positive impact?
4. Whom are we affecting?

Ans: d

Bloom: Application Level: Easy

Learning Objective: Identifying the main principles of Ethical Practice in Marketing

Section Reference: Having a positive impact

Page: 10

**54. After a company has identified the stakeholders affected, the next step is to consider \_\_\_\_\_\_\_.**

1. What are we good at?
2. What is the quantifiable impact of our decision?
3. What is the probability that our ethical decisions will have a positive impact?
4. Whom are we affecting?

Ans: b

Bloom: Application Level: Hard

Learning Objective: Integrating ethical questions into the Big Picture framework

Section Reference: Having a positive impact

Page: 11

**55. A technique that can help estimate the potential impact of individual actions in a systematic manner by considering the probability of an event and the value of the outcomes is the \_\_\_\_\_\_\_\_\_\_.**

1. Estimate value analysis
2. Expected value analysis
3. Positive value analysis
4. Probability value analysis

Ans: b

Bloom: Knowledge Level: Hard

Learning Objective: Integrating ethical questions into the Big Picture framework

Section Reference: Having a positive impact

Page: 12

**56. “Don’t be evil” is an example of Google’s \_\_\_\_\_\_\_\_**

1. Code of conduct
2. Ethics
3. Issue
4. Moral

Ans: a

Bloom: Application Level: Easy

Learning Objective: Distinguishing between personal and business ethics issues.

Section Reference: Personal ethics and business ethics

Page: 13

**57. A firm primarily engaged in acquiring customers is at greater risk of acting in an unethical fashion than one seeking growth from existing customers, this is the definition of**

1. Business objective
2. Marketing objective
3. Source of volume
4. Target objective

Ans: a

Bloom: Knowledge Level: Medium

Learning Objective: Distinguishing between personal and business ethics issues.

Section Reference: Ethics and the big picture framework

Page: 15

**58. When marketers consider \_\_\_\_\_\_\_\_\_\_\_, they are thinking about the company’s competitive focus.**

1. Business objective
2. Marketing objective
3. Source of volume
4. Target objective

Ans: c

Bloom: Application Level: Hard

Learning Objective: Distinguishing between personal and business ethics issues.

Section Reference: Ethics and the big picture framework

Page: 16

**59. \_\_\_\_\_\_\_ is tied directly to profitability.**

1. Product
2. Price
3. Place
4. Promotion

Ans: b

Bloom: Application Level: Easy

Learning Objective: Distinguishing between personal and business ethics issues.

Section Reference: Price

Page: 17

**60. Channels are the conduits through which companies make and keep promises to customers. The \_\_\_\_\_\_\_ distance between the firm and the customer, the \_\_\_\_\_\_\_ chance that promises might be made and broken with the firm’s knowledge.**

1. greater, greater
2. greater, lower
3. lower, greater
4. lower, lower

Ans: a

Bloom: Knowledge Level: Medium

Learning Objective: Distinguishing between personal and business ethics issues.

Section Reference: Place

Page: 17

**61. A member of the target audience who are paid to promote a specific product among their peers is known as \_\_\_\_\_\_\_\_\_\_**

1. Brand advertiser
2. Brand ambassadors
3. Brand Promoter
4. Brand Targeted

Ans: b

Bloom: Knowledge Level: Easy

Learning Objective: Describing the structure of the Big Picture framework

Section Reference: Promotion

Page: 18

**62. The greatest concern in marketing research and ethics today is the issue of \_\_\_\_\_\_\_**

1. Law
2. Privacy
3. Product
4. Market

Ans: b

Bloom: Application Level: Medium

Learning Objective: Describing the structure of the Big Picture framework

Section Reference: Market Research

Page: 19

**FILL-IN-THE-BLANK**

**63. The is an integrated framework designed to help an individual analyze and address the myriad marketing problems she will face during her career.**

Ans: Big Picture Framework

Bloom: Knowledge Level: Easy

Learning Objective: Knowing how to solve marketing problems.

Section Reference: The Big Picture Framework

Page: 5

**64. The choice of determines the perspective from which to conduct our strategic analysis, whether it be brand by brand or from a more global, corporate point of view.**

Ans: Fundamental entity

Bloom: Knowledge Level: Medium

Learning Objective: Seeing if students know what fundamental entity is.

Section Reference: Key Terms.

Page: 22

**65. The is the source of differentiation for the firm.**

Ans: Core competence

Bloom: Knowledge Level: Easy

Learning Objective: Seeing if the students know what the core competence is.

Section Reference: Key Terms

Page: 22

**66. Company function as success criteria and also help prioritize actions and allocation of resources.**

Ans: Goals

Bloom: Knowledge Level: Easy

Learning Objective: Testing students on their understanding of goals.

Section Reference: Key Terms

Page: 22

**67. The key intersection of customer and competitive attention represents the best \_\_\_.**

Ans: Strategic opportunity.

Bloom: Knowledge Level: Easy

Learning Objective: Testing students on their understanding of goals

Section Reference: Key Terms

Page: 22

**68. are the moral judgments, standards, and rules of conduct**.

Ans: Ethics

Bloom: Knowledge Level: Easy

Learning Objective: Testing students on their understanding of ethical knowledge.

Section Reference: Key Terms

Page: 22

**69. is the ongoing effort to act in accordance with the guiding moral principles identified to reflect society’s assessment of right and wrong and to consider the impact of individual actions.**

Ans: Ethical practice

Bloom: Knowledge Level: Easy

Learning Objective: Testing students on being able to differentiate between ethics and practicing ethics.

Section Reference: Key Terms

Page: 22

**70. is a technique that can help estimate the potential impact of actions in a systematic manner by considering the probability of an event and the value of the outcome.**

Ans: Expected value analysis

Bloom: Knowledge Level: Easy

Learning Objective: Testing if students know the purpose of expected value analysis.

Section Reference: Key Terms

Page: 22

**71. A is a company that holds the greatest power in the distribution channel.**

Ans: Channel Leader

Bloom: Knowledge Level: Easy

Learning Objective: Testing students on their knowledge of channel leaders.

Section Reference: Key Terms

Page: 22

**72. is how to measure the impact of actions.**

Ans: Metrics

Bloom: Knowledge Level: Hard

Learning Objective: Seeing if students know how to measure impacts.

Section Reference: Metrics

Page: 8

**73. \_\_\_\_\_\_\_\_\_ is an integrated framework designed to help you analyze and address the myriad marketing problems you will face during your career.**
Ans: The Big Picture Framework
Bloom: Knowledge Level: Medium
Learning Objective: Describe the structure of the Big Picture framework
Section Reference: The big picture framework

Page: 5

**74. In marketing decisions, each choice we make from strategy through execution, should be and with our other choice**
Ans: Aligned, consistent
Bloom: Application

Level: Medium
Learning Objective: Describe the structure of the Big Picture framework
Section Reference: The big picture framework
Page: 5

**75. Our choice of determines the perspective from which we will conduct our strategic analysis, whether it be brand by brand or from a more global, corporate point of view.**
Ans: Fundamental entity
Bloom: Knowledge

Level: Medium
Learning Objective: Identify the main principles of Ethical Practice in Marketing
Section Reference: Business objective
Page: 6

**76. Marketing : how to measure the impact of our actions**
Ans: Metrics
Bloom: Application

Level: Medium
Learning Objective: Identify the main principles of Ethical Practice in Marketing
Section Reference: Metrics
Page: 8

**77. \_\_\_\_\_\_\_\_\_\_\_ is the moral judgments, standards, and rules of conduct by which we live.**Ans: Ethics
Bloom: Knowledge

Level: Easy
Learning Objective: Identify the main principles of Ethical Practice in Marketing
Section Reference: The challenge of studying ethics
Page: 9

**78. To make a personal and subjective assessment of what we consider right and wrong, This is the definition of \_\_\_\_\_\_\_\_\_\_\_\_\_**
Ans: Do the right thing
Bloom: Knowledge

Level: Easy
Learning Objective: Identify the main principles of Ethical Practice in Marketing
Section Reference: Do the right thing
Page: 10

**ESSAY**

**79. Describe the structure of the Big Picture Framework.**

Ans: The emphasis of this book is on marketing as a system, in which changes in one part have an impact on other parts. The Big Picture is an integrated framework designed to help individuals analyze and address the myriad marketing problems they will face during your career. While it is presented in this text in a series of chapters, you should think of it as a set of interrelated aspects of marketing, each of which affects and is affected by the others. This relationship holds true for ethical practice as well.

If we consistently consider our ethical responsibilities at the corporate level, this approach becomes almost instinctual at the level of implementation. In contrast, if ethics are not integral at the corporate level, we should not be surprised that they are not evident in the everyday practice of our employees. The Big Picture Framework helps to align and integrate marketing strategy and execution by linking strategic decisions to execution as the firm moves through the marketing process.

Bloom: Application Level: Medium

Learning Objective: Testing the students’ full knowledge of the Big Picture Framework and its application.

Section Reference: Summary

Page: 21

**80. Identify the main principles of Ethical Practice in Marketing.**

Ans: Ethics are the moral judgments, standards, and rules of conduct by which people live. We can consider ethics in terms of (1) what we personally consider to be the right or moral choice, and (2) what impact of actions will have on ourselves, our firms, our customers, and society as a whole. Ethical practice is our ongoing effort to act in accordance with the guiding moral principles we have identified that reflect our assessment of right and wrong and to consider the impact of our actions. Just as we can develop skills as marketers, we can also develop skills as ethical marketers, by considering not just the strategic and executional implications of our decisions, but their ethical implications as well.

Ethical practice in marketing requires that we do the right thing; we should try to have a positive impact, while striving to achieve profitability for our company. Doing the right thing requires us to make a personal and subjective assessment of what we consider right and wrong. In most societies and cultures what is considered “right” is judged by Aristotelian moral virtues. These virtues include courage, temperance, generosity, honestly, fairness, gentleness, and justice. The practice of these virtues is believed to lead to individual happiness and to also benefit society as a whole. To have a positive impact, we must act thoughtfully and consider whom we are affecting by our actions, what the result of our actions is, and the probability that these effects will take place. Finally, ethical practice profitability should complement, rather than conflict with, each other.

Bloom: Comprehension Level: Hard

Learning Objective: Seeing if students can articulate the main points of ethics in marketing.

Section Reference: Summary

Page: 21

**81. Distinguish between personal and business ethics issues.**

Ans: Ethics is the moral code that guides our decision-making; our personal moral code should guide our professional code. As marketing managers we have a responsibility to ensure that our firm’s ethics are aligned with our own. If they are not, we must consider taking the steps necessary to do the right thing. When they are, then by building on the foundation of personal and firm ethics, we can begin to understand and explore how we can make positive differences for our peers, customers, our society, and ourselves. We will master ethical decision-making when thinking about ethics becomes habitual and is integrated in our marketing decision-making routines.

Bloom: Comprehension Level: Medium

Learning Objective: Testing comprehension of differing between personal and business ethics.

Section Reference: Summary

Page: 21

**82. Describe how to integrate ethical questions into the Big Picture Framework**

Ans: While business ethics is often taught as a separate subject, our strong belief is that it is more effective to integrate ethical thinking into our decision processes from strategy development through execution. Ethical issues arise at each step of the marketing framework. Having overly aggressive and short-term goals in our business objective can encourage unethical behavior. In marketing objective we look at acquiring and retaining customers. Overly aggressive acquisition objectives can help create an organizational environment where customers are ‘forgotten’ once they have purchased our product. This is not only bad for our customers but it is also bad for our brands and our business in the long term.

When thinking of our overall competitive approach in the source of volume chapter, we need to be particularly careful to ensure that our efforts on behalf of our brands of not lead to unethical practices, especially the promotion of false claims and misinformation about the competition. The ethical treatment of other companies comes into focus again when we think about our distribution partners; our ethical behavior must extend to ourselves, our employee partners, competitors, and channel members. Finally, in collecting market research information it is critical that we maintain transparency and follow an ethical approach to information gathering and privacy.

Bloom: Comprehension Level: Easy

Learning Objective: Testing if students can relate ethics into the Big Picture Framework.

Section Reference: Summary

Page: 21

**83. Describe how global marketing will face differing regulations.**

Ans: Governments in the world are creating news laws every day that market professionals will have to deal with. The biggest issue that marketing companies will face is trademark rights and data storage. Data storage and protection will be keen due to privacy laws. Companies will face increasing rules on every piece of data they own and how and where it is stored.

Bloom: Knowledge Level: Easy

Learning Objective: Testing students on their knowledge of global marketing implications.

Section Reference: Global Marketing

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**84. What is channel leader? Give at least two examples of channel leader**

Ans: Channel leader is a company that holds the greatest power in the distribution channel; as a result, it is able to set standards for how the channel will be managed and bring channel members together around key activities and behaviors. Two examples are Walmart and Intel emerges.

Bloom: Knowledge Level: Hard

Learning Objective: Distinguishing between personal and business ethics issues.

Section Reference: Place

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