

Test Bank for Integrated Advertising Promotion and Marketing Communications 9th Clow

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Chapter 2 Brand Management

1) When consumers consistently connect a product's name with a specific meaning, concept, or idea, which term applies?

- A) concept alliance.
- B) brand recognition.
- C) brand association.
- D) corporate connection.

Answer: C

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

2) Which is brand image?

- A) The result of an advertising program's budget expenditures.
- B) The net response to the marketplace.
- C) The feelings consumers and businesses have about a brand.
- D) The belief that all brands are basically the same.

Answer: C

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

3) The brand image of an automobile manufacturer such as Porsche, Mazda, Toyota, or Ford might be based on each of the following *except*:

- A) evaluations of vehicles.
- B) whether the company is foreign or domestic.
- C) economic conditions.
- D) customer views of company advertising and the local dealership.

Answer: C

Difficulty: Easy

Skill: Application

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

4) Which is not part of a brand image?

- A) Tangible elements
- B) Intangible elements
- C) What the company stands for as well as how it is known in the marketplace
- D) Governmental regulations that affect the company

Answer: D

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

5) Which is *not* a tangible component of a brand's image?

- A) goods and services sold.
- B) retail outlets where the product is sold.
- C) social network posts by the company.
- D) ideals and beliefs of corporate personnel.

Answer: D

Difficulty: Challenging

Skill: Analytical

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

6) Which is an intangible element of a brand image?

- A) A corporate name and logo
- B) Home location of the country in which the company operates
- C) Interactions with employees
- D) Packaging and labeling

Answer: B

Difficulty: Challenging

Skill: Analytical

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

7) In the mind of the consumer, a strong brand image is linked to:

- A) perceptions of economic conditions.
- B) ratings by financial advisors.
- C) reduction of search time in purchase decisions.
- D) finding substitute goods when making purchases.

Answer: C

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

- 8) From a consumer's perspective, a strong brand image provides each of the following *except*:
- A) assurance regarding purchase decisions in unfamiliar settings.
 - B) purchase alternatives.
 - C) a reduction in search time.
 - D) social acceptance of purchases.

Answer: B

Difficulty: Moderate

Skill: Analytical

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

- 9) From a consumer's perspective, a strong brand image generates which element when customers purchase goods or services with which they have little experience?

- A) Memorable reference
- B) Positive assurance
- C) Immediate feedback
- D) Increased purchasing options

Answer: B

Difficulty: Moderate

Skill: Application

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

- 10) Which is psychological reinforcement in terms of marketing communications? Feeling good after making a purchase from a company with a strong and positive image is an example of:

- A) Recognizing a purchasing mistake.
- B) Feeling good after making a purchase from a company with a strong and positive image.
- C) A sense of disharmony or mental imbalance that leads to a purchase.
- D) The metrics associated with brand recall.

Answer: B

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

- 11) Which is the concept of social acceptance in marketing communications?

- A) When someone knows other people have purchased the same brand that the person buys.
- B) When the buyer believes in the reliability of the product being purchased.
- C) What occurs when the buyer avoids the cognitive dissonance associated with the purchase.
- D) When a company achieves brand recognition in the eyes of the majority of consumers.

Answer: A

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

12) From the perspective of the corporation, a strong brand image is related to each of the following *except*:

- A) ability to attract quality employees.
- B) higher level of brand parity.
- C) positive word-of-mouth recommendations by customers.
- D) higher level of channel power.

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

13) From the perspective of the corporation, a strong brand image is related to each of the following *except*:

- A) being able to charge a higher price.
- B) increased competition.
- C) more frequent purchases by customers.
- D) more favorable ratings by financial observers.

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

14) From the company's perspective, a quality brand image enhances the introduction of a new product because:

- A) the company can charge a lower price for the new product.
- B) a new distribution channel can be established.
- C) customers normally transfer their trust in and beliefs about the corporation to a new product.
- D) the competition does not know how to respond.

Answer: C

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

15) A corporate or brand image reflects the feelings consumers and businesses have about the overall organization, as well as its individual products.

Answer: TRUE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

16) A corporate or brand image mostly summarizes how the company or brand is perceived by the government.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

17) Effective marketing communications are based on a clearly defined brand image.

Answer: TRUE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Written and oral communication

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

18) What a firm's employees believe about a brand's image is less important than what consumers think.

Answer: TRUE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

19) The most important component of a brand image is the price.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

20) Perceptions of a brand's image are based solely on price and quality.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

21) A brand image only contains visible elements, because intangible elements cannot be observed.

Answer: FALSE

Difficulty: Easy

Skill: Analytical

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

22) An organizational policy to actively recruit minority employees would be an element of a company's image.

Answer: TRUE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Diverse and multicultural work environments

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

23) From a consumer's perspective, a brand's image can provide psychological reinforcement and social acceptance of a purchasing decision.

Answer: TRUE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

24) A positive brand image increases search time when a consumer is makes a purchasing decision, because the individual will look longer and harder for a specific item or brand.

Answer: FALSE

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

25) While a brand's image plays a key role in marketing to consumers, it is not significant when selling to other businesses.

Answer: FALSE

Difficulty: Challenging

Skill: Application

AACSB: Reflective thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

26) Brand image is unlikely able to a company that expands internationally language and cultural differences.

Answer: FALSE

Difficulty: Challenging

Skill: Synthesis

AACSB: Diverse and multicultural work environments

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

27) A strong brand image often positively affects the price a company can charge for its products.

Answer: TRUE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Analytical thinking

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

28) Loyal customers who might generate positive word-of-mouth endorsements about the company and its products, are less likely to be affected by a brand's image.

Answer: FALSE

Difficulty: Easy

Skill: Application

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

29) A brand's image has little or no effect on other business activities, such as recruiting employees.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

30) From a consumer's perspective, what are the benefits of a strong brand image?

Answer:

1. Assurance regarding purchase decisions of familiar products in unfamiliar settings
2. Assurance concerning purchases where there is little previous experience
3. Reduction of search time in purchase decisions
4. Psychological reinforcement and social acceptance of purchase decisions

Difficulty: Moderate

Skill: Synthesis

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

31) What would be the benefits of a strong brand image in the eyes of a company such as Campbell's?

Answer:

1. Extension of positive consumer feelings to new vegetable products and possibly other grocery items.
2. The ability to charge a higher price or fee for well known-items such as soups.
3. Consumer loyalty leading to more frequent purchases and less brand-switching to other brands.
4. Positive word-of-mouth endorsements in places such as recipe books and guides.
5. The ability to attract quality employees.
6. More favorable ratings by financial observers and analysts,

Difficulty: Challenging

Skill: Synthesis

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

32) Define the terms "brand" and "brand image."

Answer: A brand is the word, term, or phrase featured as the name of a product, product line, or company. Brand image reflects the feelings consumers and businesses have about the overall organization as well as its individual products or product lines.

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.1 How does a brand's image affect consumers, other businesses, and the company itself?

33) Which of the following statements about image is *false*?

A) Reinforcing or rejuvenating a current image that is consistent with the view of consumers is easier to accomplish than changing a well-established image that is not consistent with the image the company wants to project.

B) It is relatively easy to change the image people hold about a given company.

C) Any negative or bad press can quickly destroy an image that took years to build.

D) The image being projected must accurately portray the firm and coincide with its goods and services.

Answer: B

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

34) Which type of brand name reveals what a company does?

A) overt

B) implied

C) conceptual

D) iconoclastic

Answer: A

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

35) American Airlines and BMW Motorcycles are examples of:

A) overt names.

B) implied names.

C) conceptual names.

D) iconoclastic names.

Answer: A

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

36) Which type of brand name captures the essence of the idea behind the brand?

- A) overt
- B) implied
- C) conceptual
- D) iconoclastic

Answer: C

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

37) Bravia is an example of a(n):

- A) overt name.
- B) implied name.
- C) conceptual name.
- D) iconoclastic name.

Answer: D

Difficulty: Challenging

Skill: Application

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

38) Which type of brand name does not reflect the company's goods or services?

- A) overt
- B) implied
- C) conceptual
- D) iconoclastic

Answer: D

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

39) Which type of brand name is unique, different, and memorable without suggesting the company's goods or services?

- A) overt
- B) implied
- C) conceptual
- D) iconoclastic

Answer: D

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

40) Overt brand names:

- A) reveal what the brand does.
- B) capture the essence of the idea behind the brand.
- C) contain recognizable words or word parts that imply what the brand is about.
- D) do not reflect the brand's goods or services, but instead something that is unique, different, and memorable.

Answer: A

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

41) Implied brand names:

- A) reveal what the brand does.
- B) capture the essence of the idea behind the brand.
- C) contain recognizable words or word parts that imply what the brand is about.
- D) do not reflect the brand, but instead something that is unique, different, and memorable.

Answer: C

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

42) Iconoclastic brand names:

- A) reveal what the brand does.
- B) capture the essence of the idea behind the brand.
- C) contain recognizable words or word parts that imply what the brand is about.
- D) do not reflect the brand's goods or services, but instead something that is unique, different, and memorable.

Answer: D

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

43) If Campbell's introduces a new line of ready to heat vegetable packets with the name "Campbell's Veggies in a Bag," which was being used?

- A) Family brand
- B) Cooperative brand
- C) Flanker brand
- D) Complementary brand

Answer: A

Difficulty: Challenging

Skill: Application

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

44) A brand extension is:

- A) a group of related core products sold under one name.
- B) the creation of a logo which further explains the brand.
- C) the design of a public relations campaign to support a brand.
- D) using an established brand name on goods or services not related to the core brand.

Answer: D

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

45) When Mercedes-Benz began to sell motorcycles along with automobiles carrying the companies name, it is an example of a:

- A) flanker branding.
- B) a brand extension.
- C) cooperative branding.
- D) complementary branding.

Answer: B

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

46) Which of the following is a flanker brand?

- A) The offering of two or more brands in a single marketing offer
- B) The joint venture of two or more brands into a new product or service
- C) Development of a new brand by a company in a good or service category where it currently has other brands
- D) A brand with the same name in a different industry

Answer: C

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

47) When Procter & Gamble added a new laundry detergent in Asia called "Panda" to its current line of laundry detergents, the Panda brand would be considered a:

- A) brand extension.
- B) family brand.
- C) flanker brand.
- D) complementary brand.

Answer: C

Difficulty: Moderate

Skill: Application

AACSB: Diverse and multicultural work environments

LO: 2.2 What types of brands and brand names do companies use?

48) If a company's marketing team believes that offering a new product under the current brand name may adversely affect the current brand, the best approach would be to introduce the product as a:

- A) brand extension.
- B) ingredient brand.
- C) flanker brand.
- D) co-brand.

Answer: C

Difficulty: Challenging

Skill: Synthesis

AACSB: Analytical thinking

LO: 2.2 What types of brands and brand names do companies use?

49) Which involves using an established brand name on goods or services that are not related to the core brand?

- A) Brand extension
- B) Private brand
- C) Flanker brand
- D) Complementary brand

Answer: A

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

50) When a company develops a new brand in the same category in which the firm already has a branded product, it is a:

- A) brand extension.
- B) flanker brand.
- C) fellow brand.
- D) complementary brand.

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

51) A company's marketing team introduces a new brand in a product category where it already has brands in an effort to appeal to consumers the team believes is not being reached by the company's current brands. Which is being used?

- A) brand extension
- B) private brand
- C) flanker brand
- D) complementary brand

Answer: C

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

52) In introducing a new brand, which approach is often used by firms operating in high-end markets in order to avoid damaging the high-end brand's reputation?

- A) Brand extension
- B) Co-branding
- C) Flanker brand
- D) Complementary brand

Answer: C

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

53) A firm that expands to international markets often adds additional brands to current brands in order to strengthen an international presence, reflecting which strategy?

- A) Brand extension
- B) Private brand
- C) Flanker brand
- D) Complementary brand

Answer: C

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

54) Co-branding or alliance branding can take each the following forms, *except*:

- A) flanker brand.
- B) ingredient brand.
- C) cooperative brand.
- D) complementary brand.

Answer: A

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

55) Ingredient branding involves:

- A) placing one brand within another.
- B) developing a new brand to be sold in a category where the firm already has a brand.
- C) a joint venture of two brands in one product.
- D) marketing two brands together to encourage co-consumption.

Answer: A

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Written and oral communication

LO: 2.2 What types of brands and brand names do companies use?

56) A low-calorie cake mix that notes the use of NutraSweet in the mix is using a form of:

- A) ingredient branding.
- B) flanker brand.
- C) cooperative branding.
- D) complementary branding.

Answer: A

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

57) Cooperative branding is:

- A) private labeling with a major brand.
- B) placing one brand in another as a form of cooperation.
- C) the joint venture of two or more brands in one product.
- D) the marketing of two brands together to encourage co-consumption.

Answer: C

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

58) Alliance or co-branding works best when:

- A) the two brands are unrelated.
- B) a well-known brand is attached to a lesser-known brand.
- C) a private label is co-branded with a manufacturer's brand.
- D) it builds the brand equity of both brands.

Answer: D

Difficulty: Challenging

Skill: Synthesis

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

59) Complementary branding is:

- A) using a private label to complement the main brand.
- B) placing one brand within another brand.
- C) the joint venture of two or more brands in one product.
- D) marketing two brands together to encourage co-consumption.

Answer: D

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

60) Which is an example of complementary branding?

- A) Hallmark adding a television network to its greeting card business
- B) Noting that an Intel Processor is in a laptop
- C) Translating a product's name into a foreign language
- D) Selling Reese's Peanut Butter Cup milkshakes at Dairy Queen .

Answer: D

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

61) The placement of one brand within another brand is:

- A) ingredient branding.
- B) cooperative branding.
- C) complementary branding.
- D) flanker branding.

Answer: A

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

62) The marketing of two or more brands together to encourage co-consumption or co-purchases is:

- A) ingredient branding.
- B) cooperative branding.
- C) complementary branding.
- D) flanker branding.

Answer: C

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

63) In terms of co-branding, the highest risk strategy is:

- A) ingredient branding.
- B) cooperative branding.
- C) complementary branding.
- D) flanker branding.

Answer: C

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Analytical thinking

LO: 2.2 What types of brands and brand names do companies use?

64) While rejuvenating a brand's image can be difficult, it usually does not take a long time to accomplish.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

65) A conceptual brand name captures the essence of what a company offers, but does not reveal it directly.

Answer: FALSE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

66) An implied brand name contains recognizable words or word parts that suggest what the company does.

Answer: TRUE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

67) A conceptual brand name seeks to capture the essence of the idea behind the brand or a vision of what the company does.

Answer: TRUE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

68) Conceptual and implied brand names make it easy for customers to connect the brand name with the type of product being sold.

Answer: FALSE

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

69) A family brand relationship occurs when two companies produce one brand in a cooperative venture.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

70) A brand extension is the use of a new brand name to identify an old product.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

71) A flanker brand is the use of a new brand name to identify a product marketed with another company.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

72) When Proctor & Gamble adds new laundry detergents to reach different market segments, the company has created international associative brands.

Answer: FALSE

Difficulty: Challenging

Skill: Application

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

73) A flanker brand can be introduced when company leaders think that offering the product under the current brand name may adversely affect the overall marketing program.

Answer: TRUE

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

74) Flanker branding is the placement of one brand within another, such as NutraSweet as part of Diet Coke.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

75) Calling a leather vest that holds tools a "Black and Decker Tool Vest" is an example of a brand extension.

Answer: TRUE

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

76) Co-branding or alliance branding succeeds when it builds the brand equity of both brands involved.

Answer: TRUE

Difficulty: Moderate

Skill: Analytical

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

77) What are the four types of brand names?

Answer: Overt names, implied names, conceptual names, iconoclastic names.

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

78) Describe the differences between brand extensions and flanker brands.

Answer: Brand extensions use an established brand name on goods or services not related to a core brand. Flanker brands are brands used by a company in a category in which the company currently has an offering.

Difficulty: Moderate

Skill: Synthesis

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

79) What are the three forms of co-branding or alliance branding? Define each one.

Answer:

1. Ingredient branding is placement of one brand within another brand.
2. Cooperative branding is the joint venture of two brands or more into a new product or service.
3. Complementary branding is marketing of two brands together to encourage co-consumptions or co-purchases.

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.2 What types of brands and brand names do companies use?

80) Describe conceptual and iconoclastic brand names.

Answer: Conceptual names capture the essence of what a company offers; iconoclastic names represent something unique, different, and memorable.

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

81) Describe overt and implied brand names.

Answer: Overt names reveal what a company does; implied names contain recognizable words or word parts that convey what a company does.

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

82) Define conceptual names and iconoclastic names.

Answer: Conceptual names capture the essence of what a company offers. Iconoclastic names represent something unique, different, and memorable.

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

83) Define family brand, brand extension, and flanker brand.

Answer: A family brand means a company offers a series or group of products under one brand name; a brand extension is the use of an established brand name on new goods or services; and a flanker brand is the development of a new brand by a company in a good or service category in which it currently has a brand offering.

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.2 What types of brands and brand names do companies use?

84) The symbol used to identify a brand is its:

- A) moniker
- B) logo
- C) trademark
- D) visualization

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

85) A quality logo:

- A) includes both letters and symbols
- B) accentuates a brand name
- C) describes the product's contents
- D) normally only contains one color

Answer: B

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

86) The Nike swoosh is a(n):

- A) overt image.
- B) implied brand.
- C) conceptual name.
- D) logo.

Answer: D

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

87) The McDonald's, Apple, and Pepsi logos exhibit high:

- A) likeability
- B) stimulus codability
- C) reliability
- D) referent power

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

88) A logo:

- A) is easy to develop.
- B) carries an image of the product inside a package.
- C) forms the basis for most marketing communications programs.
- D) is used to identify a brand.

Answer: D

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

89) Stimulus codability is:

- A) a form of brand name.
- B) the perception that the brand is known.
- C) consensually held meanings among customers.
- D) another name for product positioning.

Answer: C

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Written and oral communication

LO: 2.3 What characteristics do effective logos exhibit?

90) When a logo elicits shared meanings across consumers, it exhibits:

- A) stimulus codability.
- B) reliability.
- C) consensus.
- D) referent response.

Answer: A

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

91) The Mercedes Benz logo creates shared meaning across consumers in the United States and around the world, which means the logo exhibits:

- A) memorability.
- B) stimulus codability.
- C) brand endurance.
- D) brand equity.

Answer: B

Difficulty: Moderate

Skill: Application

AACSB: Diverse and multicultural work environments

LO: 2.3 What characteristics do effective logos exhibit?

92) A logo with a consensually held meaning, such as the Prudential Rock, displays:

- A) brand prominence.
- B) stimulus codability.
- C) brand parity.
- D) product positioning.

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.3 What characteristics do effective logos exhibit?

93) Brand logos:

- A) are unrelated to image but are related to positioning.
- B) help with recall of advertisements and brands.
- C) usually are inexpensive to develop.
- D) increase search time in product purchase decisions.

Answer: B

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.3 What characteristics do effective logos exhibit?

94) Quality logos and brand names should pass each of the following tests, *except*:

- A) be similar to others in the industry.
- B) be familiar.
- C) elicit a consensual meaning among those in the firm's target market.
- D) evoke positive feelings.

Answer: A

Difficulty: Challenging

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

95) The four square Microsoft icon is an example of a:

- A) symbol.
- B) brand.
- C) label addition.
- D) logo.

Answer: D

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.3 What characteristics do effective logos exhibit?

96) Logos help with in-store shopping because:

- A) shoppers recognize them
- B) they distract from other products
- C) they reduce clutter.
- D) consumers have made up their minds prior to arrival.

Answer: A

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

97) Logos normally include part of the company's brand name.

Answer: FALSE

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

98) Google is an example of an implied brand name.

Answer: FALSE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.3 What characteristics do effective logos exhibit?

99) The Apple logo is unsuccessful because consumers believe it represents a fruit product.

Answer: FALSE

Difficulty: Easy

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.3 What characteristics do effective logos exhibit?

100) The IHOP logo change worked because the new version reflected the brand well and matched its Twitter persona.

Answer: TRUE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

101) The concept that a logo elicits a consensual meaning among customers is known as logo congruence.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

102) Quality logos and brand names should be easily recognizable, and evoke positive feelings.

Answer: TRUE

Difficulty: Challenging

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

103) Nike's Swoosh logo had a natural relationship with the company's products, and therefore did not require extensive advertising to embed the logo in consumers' minds.

Answer: FALSE

Difficulty: Moderate

Skill: Synthesis

AACSB: Reflective thinking

LO: 2.3 What characteristics do effective logos exhibit?

104) What four tests should quality logos and brand names pass?

Answer:

1. They should be easily recognizable.
2. They should be familiar.
3. They should elicit a consensual meaning among those in the firm's target market.
4. They should evoke positive feelings.

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.3 What characteristics do effective logos exhibit?

105) When seeking to identify the desired brand image, company leaders first assess:

- A) the brand's current image.
- B) the external environment.
- C) tangible competitor advantages.
- D) intangible competitor advantages.

Answer: A

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

106) In making decisions about the image to be projected, it will be the easiest for marketers to:

- A) rejuvenate an image that is consistent with consumer's current view of the brand.
- B) reinforce an image that is not consistent with a consumer's current view of the brand.
- C) develop a new image for a new brand.
- D) revert to an earlier image of the brand.

Answer: A

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

107) It is important that the image being projected by a brand's marketing messages:

- A) reinforces the competition's concept of the image.
- B) accurately portray the brand and coincide with the product being offered.
- C) be different than what consumers already believe about the brand.
- D) coincides with what competitors are doing.

Answer: B

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

108) The desired brand image is one that:

- A) coincides with the majority of companies within the industry.
- B) avoids comparisons with other brands.
- C) is consistent with the views of management of each company.
- D) sends a clear message about the unique nature of an organization and its products.

Answer: D

Difficulty: Challenging

Skill: Analytical

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

109) Which is the process of rejuvenating an image?

- A) Developing an image that reminds consumers to make purchases
- B) Using image positioning to make changes.
- C) Keeping a consistent brand image while incorporating new elements.
- D) Completing an image by focusing on international markets.

Answer: C

Difficulty: Moderate

Skill: Analytical

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

110) When consumers began to view Kentucky Fried Chicken as outdated, the marketing team changed the name to KFC, complete with revitalized advertising approaches. This is an example of:

- A) reinforcing the current image.
- B) developing a new image.
- C) rejuvenating an image.
- D) erasing an image.

Answer: C

Difficulty: Challenging

Skill: Synthesis

AACSB: Analytical thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

111) Hewlett-Packard's management team decided to alter the impression that the brand was a staid company run by engineers into an ultimate lifestyle technology company in tune with pop culture. This is an example of:

- A) developing a new image.
- B) reinforcing a current image.
- C) rejuvenating an image.
- D) changing an image.

Answer: D

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

112) Changing an image is most necessary when:

- A) a brand's image has been adversely impacted by entry of new competitors.
- B) sales begin to decline.
- C) target markets shrink or disappear or a firm's image no longer matches industry trends and consumer expectations.
- D) a competitor enters the market with a product that is viewed as being superior.

Answer: C

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

113) Target's addition of designer product lines and advertising intended to raise the brand's prominence is an example of seeking to:

- A) reinforce an image.
- B) acquire an image.
- C) change an image.
- D) perfect an image.

Answer: C

Difficulty: Moderate

Skill: Synthesis

AACSB: Reflective thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

114) The image a brand tries to project should accurately portray an image the firm desires. It does not have to coincide with the goods and services being offered.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

115) Rejuvenating an image can help a firm sell more products and attract new customers.

Answer: TRUE

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

116) Creating a strong advertising campaign is normally sufficient to rejuvenate a brand's image.

Answer: FALSE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

117) In each industry, the right image is one that sends a clear message about the unique nature of an organization and its products.

Answer: TRUE

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

118) When rejuvenating a brand's image, it is not necessary to completely change it to something new.

Answer: TRUE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

119) It is impossible to change a brand's image.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

120) Changing a brand's image is most beneficial when the image no longer matches industry trends and customer expectations.

Answer: TRUE

Difficulty: Moderate

Skill: Analytical

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

121) When should a company consider rejuvenating or changing its image and how should it be done?

Answer: A company should consider rejuvenating or changing its image when sales have declined or a competitor has taken a strong market position in the industry. Any time the brand has suffered a decline in brand equity is a good time to consider rejuvenating an image.

Rejuvenating an image requires developing a campaign that is consistent with the current image, while at the same time incorporating new elements into the image to expand the firm's target market and to reconnect with previous customers.

Difficulty: Challenging

Skill: Synthesis

AACSB: Application of knowledge

LO: 2.4 How do marketers identify, create, rejuvenate, or change a brand's image?

122) Names assigned to individual goods or services or to groups of products in a line are:

A) brands.

B) logos.

C) metrics.

D) designs.

Answer: A

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

123) A strong brand is each of the following *except*:

- A) salient to customers.
- B) one that provides benefits consumers consider important.
- C) represents a good value.
- D) one that has a high level of brand parity.

Answer: D

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

124) When assessing a brand's strength, which question does *not* belong?

- A) Where does the brand stand now?
- B) What does the competition think of our brand?
- C) What are the brand's strengths and weaknesses?
- D) What opportunities should be pursued first?

Answer: B

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

125) When many consumers believe the Adidas line of shoes is the best and better than others, which exists?

- A) brand cohesion.
- B) brand equity
- C) brand clarity
- D) brand identity.

Answer: B

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

126) When consumers purchase only one brand, they consider no other choice, regardless of price differences, they express:

- A) brand integrity.
- B) brand quality.
- C) brand parity.
- D) brand loyalty.

Answer: D

Difficulty: Moderate

Skill: Application

AACSB: Analytical thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

127) In international markets, when consumers from various countries generally believe one brand is different and better than others, which exists?

- A) flanker branding
- B) cooperative branding
- C) brand equity
- D) brand parity

Answer: C

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Diverse and multicultural work environments

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

128) When consumers resist looking for cheaper products, special deals, or other incentives, which exists?

- A) market power
- B) market strength
- C) brand identity
- D) brand equity

Answer: D

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Analytical thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

129) Strong brands achieve each of the following *except*:

- A) allow a company to charge more for products.
- B) create brand parity.
- C) provide customers assurance of quality.
- D) transfer to other products or brands the company sells.

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

130) An advertising campaign created by Hormel designed to show customers the rich variety of brands sold by the company is seeking to to:

- A) allow the company to charge more.
- B) create brand parity across company brands.
- C) create perceptions of corporate uniqueness.
- D) transfer perceptions of strong brands to other company products.

Answer: D

Difficulty: Moderate

Skill: Application

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

131) A customer's belief in the efficacy and reliability of a brand that has been established over time through personal experience is:

- A) brand competence.
- B) trust.
- C) reliability.
- D) distinctiveness.

Answer: B

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

132) When customers purchase only Michelin tires and consider no other brand, regardless of price differences, which exists?

- A) brand involvement.
- B) brand specialty.
- C) brand loyalty.
- D) brand parity.

Answer: C

Difficulty: Easy

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

133) The perception that all types of toothpaste are essentially the same is:

- A) brand equity.
- B) brand parity.
- C) flanker branding.
- D) the private label problem.

Answer: B

Difficulty: Easy

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

134) Charles sees only minor differences among the various brands of high definition televisions. This is an example of:

- A) brand equity.
- B) brand parity.
- C) flanker branding.
- D) the private label problem.

Answer: B

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

135) Which is brand equity?

- A) The belief that Tommy Bahama is different and the best line of shirts
- B) The belief that price makes all the difference when considering brand differences.
- C) The belief that all brands of toilet paper are essentially the same in terms of quality.
- D) The belief the differences in product quality are only created in consumer minds through advertising.

Answer: A

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

136) When a customer believes Craftsman makes the best and most reliable tools, it is an example of:

- A) brand parity.
- B) brand equity.
- C) brand cooperation.
- D) brand decision.

Answer: B

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

137) Which is *not* true concerning brand equity?

- A) It allows the company to charge a higher price.
- B) It reduces name retention.
- C) It is helpful in business-to-business markets.
- D) It is helpful in international markets.

Answer: B

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

138) Strong brands achieve the following *except*:

- A) allow a company to charge more for products.
- B) create brand parity.
- C) provide customers assurance of quality.
- D) transfer to other products or brands the company sells.

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Analytical thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

139) The marketing team at Tide placed messages on Facebook and YouTube, which are also known as:

- A) co-marketing.
- B) social nuances.
- C) endorsement by proxy.
- D) wild postings.

Answer: D

Difficulty: Moderate

Skill: Application

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

140) The goal of a strong brand is to:

- A) be able to charge a higher price than the competition.
- B) gain the largest market share.
- C) set a product apart from its competitors.
- D) have a trademark that is easily identifiable.

Answer: C

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

141) Strong brands contain items that are salient to consumers, such as quality and/or value.

Answer: TRUE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

142) A strong brand name normally does not require a great deal of planning to achieve; it is more an intuitive decision made by the marketing team.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

143) Consumers recommend brands to their families and friends because of one or more salient attributes.

Answer: TRUE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

144) Developing a strong brand begins with discovering why consumers buy a brand as well as repurchase the brand.

Answer: TRUE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

145) To establish a strong brand image, a brand name must be prominently promoted in repetitious ads or should be associated with one of the product's benefits.

Answer: FALSE

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

146) The goal of branding is to build awareness of the brand name.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

147) Congruency is the term used to represent a customer's belief in the efficacy and reliability of a brand.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

148) Social media does not play a role in brand building because it involves consumers interacting with each other.

Answer: FALSE

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

149) A common trend in brand building has been to incorporate social media.

Answer: TRUE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

150) Brand parity is the perception that there are significant differences among brands within a product category.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

151) Brand integrity reflects a set of characteristics that are unique to a brand that make it seem different and better.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

152) Powerful brands focus on providing an experience that can be customized and personalized.

Answer: TRUE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

153) Brand parity is a strong weapon that might dissuade consumers from looking for a cheaper product or for special deals or incentives to purchase other brands.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

154) When developing a strong brand name, what are some typical questions that should be asked?

Answer:

1. Where does your brand stand now?
2. What are your objectives?
3. What are you doing in terms of building your brand and business?
4. What are your brand's strengths? Weaknesses?
5. What opportunities should be pursued first? Where are the pitfalls?

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Written and oral communication

LO: 2.5 How can a company develop, build, and sustain a brand in order to enhance brand equity and fend off perceptions of brand parity?

155) A proprietary brand marketed by an organization and distributed within the organization's outlets is a(n):

- A) private label.
- B) flanker brand.
- C) co-brand.
- D) complementary brand.

Answer: A

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.6 What current trends affect private brands?

156) Private brands are:

- A) new brands sold in the same category.
- B) the joint venture of two or more brands in a new good or service.
- C) the use of established brand names on goods and services not related to the company's core brand.
- D) proprietary brands marketed by an organization and normally distributed exclusively within the organization's outlets.

Answer: D

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.6 What current trends affect private brands?

157) Over the past few years, each of the following are changes that have occurred in the area of private branding, *except*:

- A) increase in prices to equal national brands.
- B) improved quality.
- C) increased advertising of private brands.
- D) increased quality of in-store displays of private brands.

Answer: A

Difficulty: Challenging

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.6 What current trends affect private brands?

158) Private labels are attractive to retail stores because:

- A) they are priced higher than national brands.
- B) they do not require any advertising.
- C) they tend to have higher margins than national brands.
- D) consumers are becoming more loyal to private brands.

Answer: C

Difficulty: Challenging

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.6 What current trends affect private brands?

159) The following statements about private labels are true, *except*:

- A) quality levels of many private label products have improved.
- B) prices for private labels are going up in many markets.
- C) consumers still perceive private labels as being inferior to manufacturer's brands.
- D) some firms have begun advertising private labels.

Answer: C

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.6 What current trends affect private brands?

160) Private brands are proprietary brands marketed by an organization and normally distributed within the organization's outlets.

Answer: TRUE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.6 What current trends affect private brands?

161) Many retailers are treating private labels more like national brands and investing more money into in-store displays, but less money into marketing and advertising.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.6 What current trends affect private brands?

162) Manufacturers seeking to defend against strong private label brands can respond by focusing on core brands, advertising more, or expanding product offerings.

Answer: TRUE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.6 What current trends affect private brands?

163) Brand equity is not as important in international markets because fewer brands are available.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.6 What current trends affect private brands?

164) Why have private labels been more successful in recent years?

Answer:

1. Quality levels have improved.
2. Perceived as a value purchase by consumers.
3. Loyalty toward stores is higher than loyalty to brands.
4. Increased advertising of private labels.
5. Used to differentiate retail outlets.
6. Increased quality of in-store displays and packaging of private labels.

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Written and oral communication

LO: 2.6 What current trends affect private brands?

165) The primary purposes of packaging include each of the following functions, *except*:

- A) allows customers to see the product.
- B) provides for ease of shipping, moving, and handling.
- C) protects the contents.
- D) provides for easy placement on store shelves.

Answer: A

Difficulty: Easy

Skill: Application

AACSB: Reflective thinking

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

166) With regard to packages, which statement is *true*?

- A) They may have as little as three seconds to attract a consumer's attention in a retail store.
- B) Markets are less concerned about convenience and portability, due to mobile marketing shopping.
- C) Package design has become less of an issue, due to internet purchases.
- D) Ease of use has not been a concern, due to coverings over products when they are shipped or delivered to individual customers.

Answer: A

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

167) Labels on packages serve the following purposes, *except*:

- A) provide legal requirements in terms of content.
- B) provide consumers with pricing per unit information.
- C) another marketing opportunity to reach consumers.
- D) provide warranty and guarantee information.

Answer: B

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

168) Brand infringement occurs when:

- A) an internet domain is used that is similar to a brand name.
- B) individuals purchase domain names just for the purpose of selling them later to famous individuals or companies.
- C) a company creates a brand name that closely resembles a popular or successful brand name.
- D) the brand name is used in advertisements by competitors.

Answer: C

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Ethical understanding and reasoning

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

169) When individuals purchase domain names for the purpose of selling them to famous individuals or companies, it is known as:

- A) "turfing out" a domain.
- B) domain squatting.
- C) brand infringement
- D) domain disenfranchisement.

Answer: B

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Ethical understanding and reasoning

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

170) Manufacturers are using all the following methods to respond to inroads made by private labels, *except*:

- A) modifying the brand's position in the marketplace.
- B) expanding product offerings.
- C) using alternative promotional methods.
- D) improving in-store displays and packaging.

Answer: A

Difficulty: Challenging

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

171) A product's package is the first opportunity for a brand to make an impression on a consumer before a purchase is made.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

172) Marketing surveys have revealed that less than 10 percent of purchases are planned prior to reaching a store, which increases the importance of in-store displays.

Answer: FALSE

Difficulty: Challenging

Skill: Definition (Concept)

AACSB: Reflective thinking

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

173) Packaging should meet the needs of consumers for speed, convenience, and portability.

Answer: TRUE

Difficulty: Challenging

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

174) Brand infringement occurs when a company creates a product that looks identical to a current brand.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

175) Buying domain names on the internet that may be important to famous people or businesses with the idea of making money from selling the domain name to them is called internet brand infringement.

Answer: FALSE

Difficulty: Moderate

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

176) What are the primary purposes of packaging?

Answer: Elements of packaging include:

1. Protect the product inside.
2. Provide for ease in shipping, moving, and handling.
3. Provide for easy placement on store shelves.
4. Prevent or reduce the possibility of theft.
5. Prevent tampering.
6. Meet consumer needs for speed, convenience, and portability.
7. Communicate a marketing message.

Difficulty: Challenging

Skill: Synthesis

AACSB: Application of knowledge

LO: 2.7 How can packaging and labels support an IMC program domestically and in foreign settings?

177) Using a standardized global brand offers all of the following advantages, *except*:

- A) lowers marketing costs.
- B) meets the need of individual cultures within different countries.
- C) facilitates transference of best practices from one country to another.
- D) creates a higher perceived quality because it is sold in different countries.

Answer: B

Difficulty: Challenging

Skill: Critical Thinking

AACSB: Diverse and multicultural work environments

LO: 2.8 How are brands managed in international markets?

178) When expanding internationally, an adaptation strategy means using the same brand name and products across all countries.

Answer: FALSE

Difficulty: Easy

Skill: Definition (Concept)

AACSB: Application of knowledge

LO: 2.8 How are brands managed in international markets?

179) In international markets, an adaptation strategy reduces costs.

Answer: FALSE

Difficulty: Moderate

Skill: Critical Thinking

AACSB: Reflective thinking

LO: 2.8 How are brands managed in international markets?