

Multiple Choice Questions

Chapter 1: Processes and applications of direct marketing

- 1-1. _____ is a database-driven interactive process of directly communicating with targeted customers or prospects using any medium to obtain a measurable response or transaction via one or multiple channels.
- A. database marketing
 - B. direct marketing
 - C. mass marketing
 - D. affiliate marketing
- 1-2. Direct marketing as a term is synonymous with _____.
- A. mail order selling
 - B. Internet advertising
 - C. telemarketing
 - D. none of the above
- 1-3. Direct marketing objectives do not include _____.
- A. selling merchandise for a company
 - B. enhancing a company's image
 - C. getting people to visit a store
 - D. getting people to inquire about a specific product or service
- 1-4. Brand marketing and direct marketing are converging because of:
- A. cost
 - B. the regulatory environment
 - C. the digital revolution
 - D. the cost of paper
- 1-5. Direct marketing is known for having its historical roots in _____ and _____.
- A. measurability and accountability
 - B. direct mail and mail order selling
 - C. Internet mail and on-line catalogues
 - D. offers and promotions
- 1-6. Direct marketing is characterized by _____.
- A. ongoing relationships and affinity with customers
 - B. measurement of results and accountability for costs
 - C. multichannel fulfilment and distribution
 - D. all of the above
- 1-7. Which of the following are not factors that have affected the growth of direct marketing?
- A. more banking options
 - B. improved printing techniques
 - C. dissatisfaction with retail outlets
 - D. increasing use of credit cards

- 1-8. Which of the following is not a basic characteristic of direct marketing?
- A. measurement of results
 - B. accountability for costs
 - C. discounts
 - D. customer/prospect database
- 1-9. _____ allows customers to select the media or channels they prefer when shopping for products and services.
- A. multichannel distribution
 - B. Internet marketing
 - C. electronic media
 - D. response marketing
- 1-10. Multichannel distribution means:
- A. using more than one direct mail campaign to reach customers
 - B. using more than one television or cable station to reach customers
 - C. using a variety of media to reach customers
 - D. none of the above
- 1-11. The seamless approach to delivering a consistent brand experience across all available channels and devices a customer uses to interact with a company or organization and its brands is called:
- A. customer lifetime value
 - B. market segmentation
 - C. omni-channel marketing
 - D. multi-channel fulfilment
- 1-12. The goal of the direct marketer is to:
- A. eliminate brand marketing
 - B. interact with the customer on a one-to-one basis
 - C. do everything inexpensively
 - D. use as few channels as possible to get the message out
- 1-13. Which of the following transactions is not an example of direct marketing?
- A. Going to a retail store to purchase an item seen in their Christmas catalogue that you received by mail
 - B. Purchasing clothing from a Land's End catalogue, given to you by a friend
 - C. Selecting a new set of tires at a Firestone neighbourhood store
 - D. Ordering a Kenmore vacuum cleaner by mail from a Sears sales catalogue
- 1-14. Organizations that can benefit from the use of a database and direct marketing include which of the following?
- A. product and service enterprises
 - B. non-profit organizations
 - C. political action groups
 - D. all of the above
- 1-15. Marketers are able to target relevant communications to customers based on geographic location, utilizing _____.
- A. placement analysis
 - B. navi-tags
 - C. geo-tags
 - D. none of the above

- 1-16. The single most notable differentiating feature of direct marketing is that it always seeks to generate _____.
- A. an immediate purchase
 - B. a measurable response
 - C. awareness
 - D. none of the above
- 1-17. The “historical foundations” of direct marketing are centred on _____.
- A. customer relationship management
 - B. high-tech media
 - C. list rental activities
 - D. multi-channels
- 1-18. Non-profit organizations use direct marketing primarily in order to:
- A. keep costs down
 - B. let people know about their cause and gain support
 - C. sell their own products
 - D. avoid legal challenges to mass advertising practices
- 1-19. According to the text, Victoria’s Secret is an excellent example of a company that uses _____.
- A. team-based buying
 - B. high-tech media formats
 - C. multichannel distribution
 - D. database marketing
- 1-20. Sports organizations use direct marketing to:
- A. fill seats
 - B. get corporate supports
 - C. promote special events to season ticket holders
 - D. all of the above

TRUE-FALSE

- 1-21. The Internet has not yet proved to be a valuable tool in political fundraising.
- 1-22. The goal of direct marketers is to interact with customers on a one-to-one basis, based on information obtained and stored about each customer in the customer database.
- 1-23. The goal of direct marketing is to make a sale.
- 1-24. Mass media expenditures and practices have not yet been significantly impacted by direct marketing.
- 1-25. Inherent to the effectiveness of the direct marketing process is the constant focus on offer creation.
- 1-26. Direct marketing is measurable, with results always being related to costs.
- 1-27. Sears Roebuck & Company was the first to create the concept of mail-order catalogues.
- 1-28. The Internet has placed a new perspective on how organizations transact as well as on how businesses are valued.
- 1-29. Micro-targeting has proved to be a valuable technique for political parties.
- 1-30. Lack of budget, marketing skills, and senior level buy-in are reasons why all direct marketers don’t embrace omni-channel marketing.
- 1-31. An uncontrollable variable in sports marketing is the reputation of the visiting team.

1-32. New marketing channels continue to emerge while traditional channels grow irrelevant.

Answers

- 1-1. B (p. 9)
- 1-2. D (p. 9)
- 1-3. B (p. 10-11)
- 1-4. C (p. 11)
- 1-5. B (p. 11)
- 1-6. D (p. 10)
- 1-7. A (p. 12-14)
- 1-8. C (p. 10)
- 1-9. A (p. 19)
- 1-10. C (p. 19)
- 1-11. C (p. 20)
- 1-12. B (p. 17)
- 1-13. C (p. 19)
- 1-14. D (p. 21)
- 1-15. C (p. 17)
- 1-16. B (p. 18)
- 1-17. A (p. 14-15)
- 1-18. B (p. 24)
- 1-19. C (p. 19)
- 1-20. D (p. 28)
- 1-21. False (p. 24)
- 1-22. True (p. 17)
- 1-23. False (p. 19)
- 1-24. False (p. 15)
- 1-25. False (p. 14)
- 1-26. True (p. 18)
- 1-27. False (p. 11)
- 1-28. True (p. 12)
- 1-29. True (p. 25)
- 1-30. True (p. 21)
- 1-31. True (p. 30)
- 1-32. False (p. 20)