

Final Exam 33/40

Question 1

Professor Kahn demonstrated the use of a Value Map. According to the Fair Value framework and to the lecture, what should companies try to do?

Your Answer	Score	Explanation
<input type="radio"/> Offer better than fair value on all three bundles.		
<input type="radio"/> Offer fair value on all three bundles.		
<input checked="" type="radio"/> Offer fair value on two bundles and offer better than fair value on the other bundle.	Correct 1.00	
Total	1.00 / 1.00	

Question 2

In the STP framework, what does "STP" stand for?

Your Answer	Score	Explanation
<input type="radio"/> Sizing; tabulating; positioning		
<input type="radio"/> Sizing; targeting; pricing		
<input checked="" type="radio"/> Segmentation; targeting; positioning	Correct 1.00	
<input type="radio"/> Segmentation; targeting; pricing		
Total	1.00 / 1.00	

Question 3

The Gillette Sensitive portfolio (pictured below) "combines outstanding shaving performance and comfort to address the significant unmet need of 70% of men who say they have sensitive skin." What is the point of

difference in this positioning statement?



Your Answer

Score Explanation

- Other razors
- Outstanding shaving performance and comfort Correct 1.00
- Men with sensitive skin

Total

1.00 / 1.00

Question 4

In Nike's brand mantra "Authentic Athletic Performance," which of the three words is the emotional modifier?

Your Answer

Score Explanation

- Authentic Correct 1.00
- Performance
- Athletic

Total

1.00 / 1.00

Question 5

Liza goes to buy a coffee maker. There are 47 available models in the world. Liza has heard of 9 of these models, of which she's only willing to buy 3. In this example, how many products are in her "consideration set?"

Your Answer **Score** **Explanation**

9

47

3 Correct 1.00

Total 1.00 / 1.00

Question 6

If a product is frequently promoted and put on sale, consumers tend to _____ their _____ reference point for the item.

Your Answer **Score** **Explanation**

Lower; external

Lower; internal Correct 1.00

Raise; internal

Raise; external

Total 1.00 / 1.00

Question 7

Disney, started by brothers Roy and Walt Disney, is one of the world's most famous mass media corporations. What

The image shows the classic Disney logo, which is the word "Disney" written in a stylized, cursive script font. The letter 'D' is particularly large and features a distinctive swirl at the top.

type of name is Disney?

Your Answer **Score** **Explanation**

Metaphor

Invented

Surname Correct 1.00

Blended

Total 1.00 / 1.00

Question 8

In Professor Kahn's lectures, she discussed the two axes of color. What were the two axes?

Your Answer	Score	Explanation
-------------	-------	-------------

Brightness & Warmth

Arousal & Affect Correct 1.00

Familiarity & Excitement

Total 1.00 / 1.00

Question 9

Which color is known for royalty, wealth, success, and wisdom?

Your Answer	Score	Explanation
-------------	-------	-------------

White

Black

Blue

Purple Correct 1.00

Total 1.00 / 1.00

Question 10

A lot of designer clothing companies will send free clothes to celebrities with hopes that the celebrities will wear their clothing in public and attract more customers to the brand. What mode of endorsement are these clothing companies trying to achieve?

Your Answer	Score	Explanation
-------------	-------	-------------

Imperative mode

- Implicit mode
- Co-present mode Correct 1.00
- Explicit mode

Total 1.00 / 1.00

Question 11

The image below, which displays Nivea's packaging since 1963, is an example of the _____, which is when companies use tiny little tweaks to make sure their packaging and brand stay modern.



Your Answer

Score Explanation

- Just-noticeable difference

Butterfly effect Incorrect 0.00

Consumer packaged goods modernization theory

Total 0.00 / 1.00

Question 12

If your attrition rate is 10%, then your typical customer lifetime is:

Your Answer **Score** **Explanation**

1 year

40 years

10 years Correct 1.00

5 years

Total 1.00 / 1.00

Question 13

Due to massive customer heterogeneity, Professor Fader would say there's more opportunity to "move the needle" via _____ than _____.

Your Answer **Score** **Explanation**

Acquisition; development Correct 1.00

Retention; development

Development; acquisition

Retention; acquisition

Total 1.00 / 1.00

Question 14

Tesco and Harrahs rose to prominence in their industries by exploiting which "crack in product centricity"?

Your Answer **Score** **Explanation**

Globalization

Customer-level tracking Correct 1.00

Commoditization

Innovation

Total 1.00 / 1.00

Question 15

In a customer-centric approach, which customers should you be most concerned with?

Your Answer

Score Explanation

The customers who are most engaged with your products/services

The customers that have historically been most valuable

The customers with the greatest degree of social influence

The customers that are likely to be most valuable Correct 1.00

Total 1.00 / 1.00

Question 16

When Joe was working in finance, he bought all of his suits at Macy's, a department store. Once Macy's finds out about Joe's plans to return to business school, what customer-centric approach would Professor Fader recommend that Macy's takes with Joe?

Your Answer

Score Explanation

Show Joe that he's still important to them by extending a store discount to him that will apply during his time as a student Correct 1.00

Give him incentives to refer his friends to Macy's

Send a thank-you note to Joe to thank him for shopping at Macy's for so many years

Invite Joe into a VIP customer loyalty program once he graduates from school

Total 1.00 / 1.00

Question 17

Customer centricity requires zooming in on your important customers. As you do so, which of the following strategies do you want to focus on?

Your Answer	Score	Explanation
<input type="radio"/> Try to turn all of the less valuable customers into highly valuable ones		
<input type="radio"/> Try to treat all of your customers equally well		
<input type="radio"/> Drop the least valuable customers, so you can focus your resources on your most valuable customers		
<input checked="" type="radio"/> Keep the less valuable customers because they provide stability and robustness to your customer mix	Correct 1.00	
Total	1.00 / 1.00	

Question 18

What is the correct overall expected lifetime of this customer base?

Cluster	Attrition rate	% Customers
Low risk	.03	60
Medium risk	.38	29
High risk	.69	11

Your Answer	Score	Explanation
<input type="radio"/> 20.9 years		
<input type="radio"/> 4.9 years		
<input checked="" type="radio"/> 12.3 years	Incorrect 0.00	
<input type="radio"/> 7.6 years		
Total	0.00 / 1.00	

Question 19

Sometimes at the hair salon, the receptionist will ask if you also want to get a manicure while you're there. What is this an example of?

Your Answer	Score	Explanation
<input type="radio"/> Up-selling		
<input type="radio"/> Customer needs assessment		
<input type="radio"/> Customer referral program		
<input checked="" type="radio"/> Cross-selling	Correct 1.00	
Total	1.00 / 1.00	

Question 20

In a product-centric company, rewards would be measured on metrics like all of the following EXCEPT:

Your Answer	Score	Explanation
<input type="radio"/> Market share		
<input type="radio"/> Number of new products		
<input checked="" type="radio"/> Percentage of revenue from products less than two years old	Inorrect 0.00	
<input type="radio"/> Share of wallet		
Total	0.00 / 1.00	

Question 21

In a customer-centric company, sales bias is on the side of the _____ in a transaction.

Your Answer	Score	Explanation
<input type="radio"/> Broker		
<input checked="" type="radio"/> Seller	Inorrect 0.00	
<input type="radio"/> Buyer		
<input type="radio"/> Ultimate consumer		
Total	0.00 / 1.00	

Question 22

The thought process for a _____-centric company is "How many possible uses of this product?" The thought process for a _____-centric company is "What combination of products is best for this customer?"

Your Answer	Score	Explanation
<input type="radio"/> Product; product		
<input checked="" type="radio"/> Product; customer	Correct 1.00	
<input type="radio"/> Customer; customer		
<input type="radio"/> Customer; product		
Total	1.00 / 1.00	

Question 23

Jack recommends his new Keurig coffee machine to his friend Jill. Jill buys her own Keurig and loves it - studies show that she is now significantly more likely to recommend the Keurig coffee machine to another person. What is this effect called?

Your Answer	Score	Explanation
<input type="radio"/> Marketing effect		
<input type="radio"/> Treatment effect		
<input type="radio"/> Selection effect		
<input type="radio"/> Referral effect		
Total	0.00 / 1.00	

Question 24

Choose the best answer. Claire just heard that her friend Jack lost his job. In order to help with his search for a new job, she suggests that he sign up for LinkedIn, a social networking website for people in professional occupations. Jack signs up, finds LinkedIn to be very helpful, and ends up becoming an active user for the next ten years. This is an example of the:

Your Answer	Score	Explanation
<input checked="" type="radio"/> Treatment effect	Incorrect 0.00	
<input type="radio"/> Marketing effect		

- Referral effect
- Selection effect

Total 0.00 / 1.00

Question 25

During the product life cycle, which of the following groups adopts a new product or service during the "Maturity" phase?

- | Your Answer | Score | Explanation |
|--|--------------|-------------|
| <input type="radio"/> Innovators | | |
| <input type="radio"/> Early majority | | |
| <input type="radio"/> Early adopters | | |
| <input type="radio"/> Laggards | | |
| <input checked="" type="radio"/> Late majority | Correct 1.00 | |

Total 1.00 / 1.00

Question 26

In the context of the product life cycle, which of the following is NOT true about the "Laggards" group?

- | Your Answer | Score | Explanation |
|--|--------------|-------------|
| <input type="radio"/> They usually appear during the "Decline" stage of a product's life cycle | | |
| <input type="radio"/> They are at the opposite end of the product life cycle as the Innovators | | |
| <input checked="" type="radio"/> People who are laggards for one product will be laggards for all products | Correct 1.00 | |
| <input type="radio"/> They are the last people to adopt a new product or service | | |

Total 1.00 / 1.00

Question 27

Which adage best sums up the concept of "homophily?"

- | Your Answer | Score | Explanation |
|-------------|-------|-------------|
|-------------|-------|-------------|

- Opposites attract
- Birds of a feather flock together Correct 1.00
- The early birds gets the worm
- You can't teach an old dog new tricks

Total 1.00 / 1.00

Question 28

Six degrees of separation is the idea that everyone is six or fewer steps away from any other person in the world. In terms of influence, however, the influence you have over other people will generally not exceed _____ steps.

Your Answer **Score** **Explanation**

- 3 Correct 1.00
- 4
- 6
- 2

Total 1.00 / 1.00

Question 29

In one of the studies that Professor Bell discusses, he looks at the influence different "friends" have on a user in a certain social network. Which of these effects is a result of "homophily?"

Your Answer

Score **Explanation**

- Girls were influential over guys, whereas the same was not true for guys over girls
- On average, someone who has been in a social network for a longer period of time has a greater influence on other users
- People who indicate they're looking to date people have less influence over other users

People who are from the same ethnic/culture background, on average, have more influence over each other Correct 1.00

Total 1.00 / 1.00

Question 30

Which of the following is a non-digital attribute?

Your Answer **Score** **Explanation**

The fit of a pair of shoes Correct 1.00

Delivery time

Length of a book

Price

Total 1.00 / 1.00

Question 31

According to one of the studies Professor Bell discussed, which of the following Product Life Cycle groups is more driven by better information on a product's non-digital attributes that is spread through communication with existing customers of the product?

Your Answer **Score** **Explanation**

Innovators

Laggards

Early adopters Incorrect 0.00

Total 0.00 / 1.00

Question 32

According to Professor's Bell lecture, changing which of the following had the greatest impact on operating profits?

Your Answer **Score** **Explanation**

Price Correct 1.00

- Volume
- Fixed costs
- Variable costs

Total 1.00 / 1.00

Question 33

Which of the following best represents the idea of price elasticity?

Your Answer	Score	Explanation
<input type="radio"/> If I drop the price by 1%, by how much does demand drop?		
<input type="radio"/> If I drop volumes by 10%, by how much does the price adjust?		
<input type="radio"/> If I raise volumes by 10%, by how much does the price adjust?		
<input checked="" type="radio"/> If I raise the price by 1%, by how much does demand drop?	Correct 1.00	

Total 1.00 / 1.00

Question 34

When you buy a computer from Apple, they ask whether you want to purchase the AppleCare Protection Plan, which is an integrated service and support plan that is backed by Apple. You can purchase the protection plan in store, but you can also wait and buy it anytime in the year following your purchase. According to what you've learned in the course, which of the following is NOT a good reason for why a lot of people end up buying the protection plan in-store?

Your Answer	Score	Explanation
<input checked="" type="radio"/> You are only buying one computer, and small volume users tend to be more price sensitive.	Correct 1.00	
<input type="radio"/> There are Apple employees who are there to explain the benefits of the program.		
<input type="radio"/> The protection plan is much less expensive than the laptop, and buyers tend to be less price sensitive when the focal component is a smaller part of total costs.		

Total 1.00 / 1.00

Question 35

In the context of mental accounting, how should you treat gains and losses (i.e. good news and bad news)?

Your Answer	Score	Explanation
<input type="radio"/> Separate losses and combine gains		
<input checked="" type="radio"/> Separate gains and combine losses	Correct 1.00	
<input type="radio"/> Integrate gains and losses		
<input type="radio"/> Separate gains and losses		
Total	1.00 / 1.00	

Question 36

Which of the following is NOT one of the four inputs to the pricing process?

Your Answer	Score	Explanation
<input checked="" type="radio"/> Marginal revenue	Correct 1.00	
<input type="radio"/> Distributor margins		
<input type="radio"/> Competitive pressures		
<input type="radio"/> Marginal cost		
<input type="radio"/> Willingness to pay		
Total	1.00 / 1.00	

Question 37

Which of the following is NOT a strategic advantage of direct channels?

Your Answer	Score	Explanation
<input type="radio"/> Erecting barriers to entry against other competitors		
<input type="radio"/> Quality of direct market feedback		
<input type="radio"/> Ability to bundle with high margin products/services		

Efficiency from a smaller number of transactions required Correct 1.00

Total 1.00 / 1.00

Question 38

Integrating, franchising, and monitoring are all strategies of managing _____ conflict.

Your Answer **Score** **Explanation**

Vertical Correct 1.00

Horizontal

Total 1.00 / 1.00

Question 39

Which of the following is not one of the 7Ms?

Your Answer **Score** **Explanation**

Mission

Market

Measurement

Money

Message content

Message design

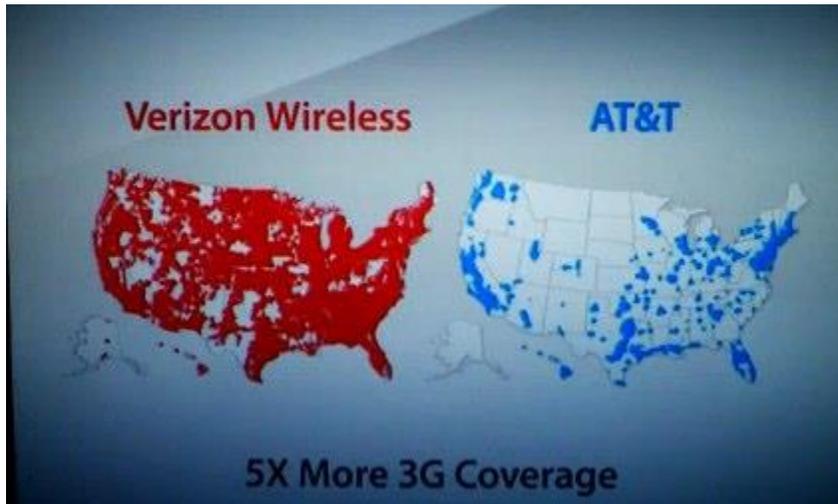
Motivation Correct 1.00

Media strategy

Total 1.00 / 1.00

Question 40

What type of rational appeal is the ad below?



Your Answer	Score	Explanation
<input type="radio"/> Demonstration		
<input type="radio"/> Spokesperson		
<input checked="" type="radio"/> Comparison	Correct 1.00	
Total	1.00 / 1.00	