Minister of Education Exit Exam

Model Exam in Marketing Management

2015 E.C. (July 2023 G.C.) Academic Year

1. In which of the following livestock and meat marketing functions, unlike all other sectors of the food and agriculture industry, there is a process of disassembling which is a reverse manufacturing process adding form utility to livestock products?

A. Grading of livestock and carcasses
C. Assembly of livestock and meat
B. Livestock and meat processing
D. livestock and meat consumption

2. A type of market segmentation that divides buyers into different groups based on social class, lifestyle, or personality characteristics:

A. Geographic segmentation
C. Behavioral segmentation
B. Psychographic segmentation
D. Demographic segmentation

3. Assume that Company Y assembles the first-of-its-kind electric car with the brand name "Kiya". Its news release on TV referring the press conference held by the public relation about the assembly of the new electric car. This is known as

A. Publicity
C. Institutional Advertising
B. Company Publications
D. Sponsorships

4. Researchers must base their judgment on facts, not on preconceived notions or intuition if their work is to be scientific. This is referred to as

A. The objectivity of the instrument
B. Objectivity of the Researcher
C. Reliability of the participants
D. Accuracy of measurement

5. Local content laws are economic risks facing international marketers. Which is TRUE about local content law?

A. Host governments demand a certain percentage of the products produced by international marketers should have local inputs

B. Host governments demand a certain percentage of shares of foreign companies should belong to locals

C. Host government prohibits international companies not to use local inputs in their

D. Host governments demand foreign companies bring all their resources from

6. As a result of..... .component of attitude, customers develop positive feelings towards a given brand and would incline towards buying the same.

A. Cognitive
C. Affective
B. Alternative
D. Conative

7. _____ refers to the actual physical movement of the product from the manufacturer through all of the parties who take physical possession of the product from its point of production to the final consumer

A. Ownership flow
C. The product flow
B. Information flow
D. Negotiation flow

8. The steps and activities that the contact employee performs that are visible to the customer such as the initial interview, intermediate meetings, and final delivery of legal documents by an attorney refer to:

A. Support processes

B. "Onstage" contact employee actions

C. Customer actions

D. "Backstage" contact employee actions

9. This approach uses a wide-to-narrow or general-to-specific flow of questions that places inquiries at the beginning of a topic on the questionnaire that is general in nature, and those requiring more specific and detailed responses later on.

A. The work approach
C. The method approach
B. The funnel approach
D. The sections approach

10. Which one of the following is an advantage of the qualitative forecasting method?

A. Exposed to Bias
B. Flexibility

C. Unexpected Changes D. Errors in Judgment

11. Marketers must be careful to set the right level of expectations. What is the danger of setting too low expectations?

A. They may fail to attract enough buyers

B. They may disappoint loyal buyers

C. They may dissatisfy customers

D. They may not satisfy buyers

12. Which of the following statement is true?

A. Inventory cost and carrying cost are directly related, i.e., as one increases the other also increases

B. Because products in a company's inventory are equally important (in terms of sales cost, etc..) the level of attention they receive should be the same to ensure the greatest pay back

C. Generally, as the number of warehouses increase in or near a market area, stock out costs decrease.

D. Generally, as the number of warehouses increase in or near a market area, transportation costs increase.

13. A type of advertisement that helps people to refer toit to find out how to buy a product or service.

A. Brand Advertising

B. Retail Advertising

C. Directory Advertising

D. Direct Response Advertising

14. Global marketers adopt various strategies to minimize political risks while operating in foreign markets. If a firm is challenged with negative attitudes towards foreign brands which strategy you would advise them to apply?

A. Sharing ownership with locals

B. Observation of political moods and increasing exposure

C. Hiring foreigners

D. Being engaged in foreign country's internal affairs

15. Which of the following criteria requires that the market should be sufficiently large in size and have future potential for selection of a target market?

A. Measurable
C. Accessible
B. Substantial
D. Compatible

16. Insurance brands are good examples of brands Customers prefer looking for:

A. Feeling of warmth
C. Feeling of excitement
B. Feeling of security
D. Feeling of self-respect

17. Which of the following stages in the new business product development stage determines new ideas that merit a detailed study as to potential feasibility with greater likelihood of succeeding in the market place

A. Screening and evaluation
C. Product testing
B. Idea and concept generation
D. Business analysis

18. Strategic choices encompass three main issues. Examine the following statements and identify the one having all the three issues right.

A. Generation of strategic options, evaluation of the options and examining the environment Generation of strategic options, evaluation
B. of the options and selecting the right strategy
C. Generation of strategic options, randomly selecting the right strategy and evaluating the feedback
D. ldentifying operational problems, suggesting options and selecting the right strategy

19. Which of the following is correct?

A. In digital marketing, communication is always unidirectional
B. In traditional marketing, communication is always bidirectional
C. Digital marketing is always best for reaching local audience
D. In traditional marketing, campaigning takes more time for designing, preparing, and launching

20. According to Roger Schmenner's service process matrix model, a category of service that provides a standardized service with high capital investment and low degree of interaction and customization such as airlines is known as

A. Service factory
C. Mass service
B. B. Service shop
D. d. Professional service

21. A short phrase or strong word used to communicate persuasive message about a brand is:

A. Brand description
C. C. Brand slogan
B. Brand profile
D. Brand name

22. A type of service encounter which occurs without any direct human contact such as when a customer interacts with a bank through the ATM system or online airline ticketing system:

A. Remote encounters
C. Face-to-face encounters
B. Interpersonal encounters
D. Phone encounters

23. Pretrial beliefs that a consumer has about the performance of a service that are used as the standard or reference against which service performance is judge

A. Customer satisfaction
C. Customer perception
B. Customer expectation
D. Customer impression

24. Determine the factor that has little or no impact in deciding the right channel strategy for international market distribution.

A. Currency devaluation
C. Market coverage
B. Channel control
D. Capital requirement

25. If you are hired in a car assembly firm and required to advise the most suitable channel structure which one do you advise?

A. Horizontal distribution
C. Vertical distribution
B. Exclusive distribution
D. Intensive distribution

26. Identify the incorrect statement from the list below

A. Those who do not perform the buying selling and transferring title function are not members of the channel structure

B. Firms which belong to the ancillary structure perform the buying selling and transferring title function The ancillary structure includes the group of

C. Institutions (facilitating agencies) that assists channel members in performing distribution task

D. A marketing channel includes only those participants who perform the negotiator functions of buying, selling, and transferring title

27. This involves identifying new, emerging opportunities, and then building plans to take full advantage of them while examining individual activities and assesses the strength of their contribution to company success.

A. Zero based budgeting

B. Rolling budgets

C. Activity based budgeting

D. Strategic budgeting

28. The difference between brand recognition and brand recall is that:

A. Brand recall is remembering the brand when it is presented whereas brand recognition is retrieving the brand from memory when it is not presented

B. Brand recognition is important for online purchases whereas brand recalling predominantly applicable for in store purchases

C. Brand recall applies for less important purchase whereas brand recognition is applicable for more important purchases

D. When it is presented whereas brand recall is Brand recognition is remembering the brand retrieving the brand from memory when it is not presented

29. A firm choosing to serve a particular sub segment of the market by customizing its offer to meet their specific demand is employing _____ strategy.

A. Focus

B. Cost leadership

C. Differentiation

D. Diversification

30. Which of the following is the demand for a business product that is linked to the demand for consumer goods

A. Derived demand

B. Inelastic demand

C. Direct demand

D. Joint demand

31. A minimal difference that can be detected between two similar stimuli is considered as Just Noticeable Difference/ JND. Which of the following is a good explanation for JND?

A. A marketer keeping the brand elements static

B. A marketer gradually and slightly increasing prices

C. A marketer introducing dynamic product improvement

D. A marketer abruptly moving into a new product line

32. A type of sales manager style that focuses on giving orders, assigning tasks, and strictly monitoring the sales team's progress is

A. Supportive

B. Directive

C. Participative

D. Coaching

33. Which one of the followings is done in the post purchase stage of consumer decision making Process?

A. Information search

B. Alternative evaluation

C. Consumption

D. Problem recognition

34. The research process does

A. Not start with identifying a need or problem

B. Involve conducting the research in a linear in fashion

C. Involve conducting the research in an iterative manner

D. Involve conducting each and every step involved

35. The disadvantage of using person administered survey does **NOT** include

A. Respondents may not complete the survey

B. Less respondent control

C. Respondents may refuse to return the survey at all

D. Respondents may not respond in a timely manner

36. Assume you are a manufacturer of clothing - a shopping good, which method of distribution would you use

A. Intensive

B. Direct distribution

C. Exclusive
D. Selective

37. In the agricultural or food marketing system, maximum price and unlimited quantities represent the interest of:

A. Farmers
C. Manufacturers
B. Consumers
D. Traders and retailers

38. Which of the following grain marketing system accurately describes products in a uniform and meaningful manner?

A. Grain storage
C. Grading of grains
B. Grain processing
D. Bulk storage

39. Agricultural products are usually exposed to the challenge of expensive transportation and storage facilities due to

A. Bulkiness of Products
C. Seasonality of Production
B. Irregularity Supply of Products
D. Perishability of the Product

40. Which of the following describes the weakness associated with time series analysis?

A. It treats sales only as a function of price
B. It treats sales only as a function of units sold
C. It treats sales only as a function of time
D. It treats sales only as a function of cost

41. A type of direct marketing technique with a message in a traditional mass medium that asks the reader, viewer, or listener to respond directly to the sender to ask for further information or to buy a product.

A. Telemarketing
C. Direct mail
B. Direct response advertising
D. Personal selling

42. If a product is technically complex, the manufacturer should sale _____.

A. Directly to its user
B. Through a retailer
C. Through a wholesaler

D. Indirectly to a user

43. _____ visually displays the service by simultaneously depicting the process of service delivery, the points of customers contact, the roles of customers and employees, and the visible elements of the service.

A. Service procedure
C. Service shop
B. Service recovery
D. Service blueprint

44. The cognitive ability to see the organization as a whole and the relationship among its parts is

A. Conceptual Skills
C. Technical Skills
B. interpersonal skill
D. communication Skills

45. Products such as apparels, furniture, jeweler, and men's shoes for which customers usually wish to compare quality, price and style in several stores before purchasing.

A. Specialty goods.
C. Shopping goods and
B. Convenience goods
D. Unsought goods

46. _____ is the process of removing intermediaries and replacing them with direct channel.

A. Disintermediation
C. Reintermediation
B. Cointermidiation
D. Misintermidiation

47. Which of the following features of effective advertising is intended to be achieved when an advertisement uses decorative attractive female models or public celebrities simply to get consumers to notice their messages?

A. Awareness
C. Persuasion
B. Grabbing attention
D. Memorability

48. When firms are using established brand name to introduce new products they are engaged in:

A. Brand positioning
C. Brand image
B. Brand extension
D. Rebranding

49. In which of the following fresh milk marketing functions, a quality grading test is conducted to detect any adulteration of the milk like the adding or skimming of fat?

A. Organoleptic test
C. Butterfat
B. Lactometer reading
D. Resazurin test

50. Following are the essential requirements for safe payments/transactions except

A. Authenticity
C. Auditability
B. Confidentiality
D. Incredibility

51. Macro segmentation involves dividing the business market into subgroups based on the following factors EXCEPT:

A. The size of buying units
C. Type of industry
B. Location
D. Ultimate consumers

52. One of the following is not modes of electronic payments

A. Electronic Fund Transfer
C. Credit Card
B. Check Card
D. Debit Card

53. Related to service delivery, airlines can use service providers such as agents or third parties to perform any of the following functions EXCEPT:

A. Payment
C. Reservation
B. Consumption
D. Carryout information

54. A firm opts to choose cost leadership strategy under which of the following situations:

A. When the firm can achieve economies of scale
B. When the market is price inelastic
C. When the company is selling innovative product
D. When the firm is offering highly differentiated product

55. The last stage of the new product development process is:

A. Product launch
C. Idea generation
B. Idea screening
D. Market assessment

56. Which of the following is NOT an advantage of TV advertisement?

A. Mass coverage
C. Segmentation potential
B. Impact of sight, sound and motion
D. High reach

57. Which of the following is an outside firm in the promotion industry that specializes in the creation, production and /or placement of the communications message and that may provide other services that facilitate the marketing and promotions process?

A. Media organizations
C. Advertising agencies
B. Collateral services
D. The advertiser or client

58. Identify the accurate match regarding risks in international marketing

A. Transfer risk- social unrest
C. General instability risk- violence
B. Ownership risk- cyber terrorism
D. Operation risk- terrorism

59. Since strategic management involves longer time horizon we need to make _____ in order to conduct periodic evaluation and take appropriate corrective actions on time.

A. Strategic review
C. Environmental scanning
B. Regret analysis
D. Customer analysis

60. The source of power refers to the capacity of one channel member to reward another if the latter conforms to the influence of the former.

A. Reward Power
C. Coercive power
B. Referent power
D. legitimate power

61. One of the followings is not among the factors considered in Michael Porter's five forces model to measure market attractiveness.

A. Bargaining power of buyer
C. Intensity of competition
D. Bargaining power of suppliers
B. Bargaining power of sellers

62. These are some of the ethical, social, and political issues raised in E-commerce except

A. Property rights
C. Public safety and welfare
B. Information rights
D. Family right

63. Reliability is

A. A test of how consistently a measuring instrument measures whatever concept it is measuring
B. Concerned with whether we measure the right concept
C. Concerned with whether we measure the right construct
D. A test of how well an instrument that is developed measures the particular concept it is intended to measure

64. If a marketer is putting its advertisement for its coffee brand after the morning news on radio stating "Drinking coffee is the right way to start the day" assuming to create the learning effect on customers that makes them to seek coffee every time they hear the news. It is applying.....theory.

A. Classical conditioning
C. Cognitive learning
B. Instrumental conditioning
D. Observational learning

65. Find the mismatch in the marketing environment

A. Legal- creative distraction
C. Economy- inflation
B. Culture-customs
D. Technology- innovation

66. This promotional effort of the manufacturer is focused on the ultimate user (household or industrial user)

A. Pull strategy
C. Individual targeting
B. Cooperative advertising
D. Push strategy

67. Observing behavior as it occurs is called

A. Human observation
C. Direct observation
B. Metered observation
D. Undisguised observation

68. The use of Ethiopian Airlines for sales of its own ticket through its own sales offices is an example of

A. Direct distribution
C. Dealership based sales
B. Agency based sales
D. Indirect distribution

69. If you want to measure the variable gender you would use

A. Ratio scale
C. Nominal scale
B. Interval scale
D. Ordinal scale

70. Which of the following products is liked by customers who are fixated at Oral stage according to Sigmund Fraud's theory of personality?

A. Comfortable sofa
C. Powerful cars
B. Chewing gum
D. Horror movies

71. The disadvantage of using person administered survey does NOT include

A. Respondents may not complete the survey
B. Less respondent control
C. Respondents may refuse to return the survey at all
D. d. Respondents may not respond in a timely manner

72. The process by which an individual selects, organizes and interprets stimuli into a meaningful and coherent picture of the world is referred as:

A. Motivation
C. Perception
B. Attitude
D. Learning

73. The stage in the evolution of selling that most closely resembles the type of professional selling most commonly encountered today is known as

A. Consultative selling
C. Strategic Selling
B. Tactical selling
D. Systems selling

74. Which advertising objectives is to be achieved when an electronic advertisement is produced and broadcasted for the purpose of making consumers well understood about the existence of the brand in the market?

A. Comprehension
C. Action
B. Conviction
D. Awareness

75. Culture shapes the value system of customers and hence affects consumer behavior. In .....- cultures people are more committed to relationship and their purchase behavior is influenced by family and friends.

A. Monopolistic
C. Polygamy
B. Polychronic
D. Monochronic

76. If the core competence of the international marketer is managerial expertise and the host country does not allow FDI (Foreign Direct Investment) the most suitable market entry mode would be:

A. Joint venture
C. Acquisition
B. Turnkey project
D. Management contract

77. Identify the mismatch among the marketing environment

A. Macro environment-competitors
C. Macro environment-economy
B. Micro environment-customers
D. Micro environment-suppliers

78. According to the zone of tolerance service model, the level of service that represents the "'minimum tolerable expectation" that the customer will accept is:

A. Desired service
C. Adequate service
B. Transitory service
D. Enduring service

79. _____ is part of packaging that consists of printed information appearing on the package.

A. Packaging
C. Labelling
B. Product assortment
D. Branding

80. When the research objective is to determine causality, to make "if-then" statements, researchers employ

A. Causal research
C. Introductory research
B. Statistical research
D. Observation research

81. _____ involves a situation in the marketing environment if not resolved would prohibits implementation of the strategy.

A. Strategic choice
C. Strategic dilemma
B. Strategic problem
D. Synergy

82. _____ involves a situation in the marketing environment if not resolved would prohibits implementation of the strategy.

A. Strategic choice
C. Strategic dilemma
B. Strategic problem
D. Synergy

83. In _____ pricing, the firm considers only the marginal or incremental cost producing goods to be sold in foreign market.

A. Full cost
C. Variable cost
B. Foreign cost
D. Fixed cost

84. The most basic concept underlying marketing is.....

A. Balancing cost and benefit
C. The human need
D. Increasing profit
B. Reducing cost

85. Companies facing price competition in foreign markets adopt different strategies to lower the prices of their products in foreign markets. Which one of the following is NOT among the strategies?

A. Exporting in big containers and repackaging to small containers
B. Exporting in parts/ unassembled
C. Lower cost of goods
D. Increase the number of middle men

86. Which of the following types of merchant intermediary is involved in the distribution of business products and provides a great deal of technical information and selling functions along with the product

A. Limited-function wholesalers
B. Full-service wholesalers
C. The single-line wholesaler
D. The specialty wholesaler

87. Chinese and Indian restaurants in Addis Ababa can be cited as good examples of:

A. Individual markets
C. Segment markets
B. Mass markets
D. Niche markets

88. While analyzing brand association if we are asking subjects 'what comes first in your mind when a brand is mentioned' we are applying method/ technique

A. Projective
C. Free association
B. Experimental
D. Positioning

89. When quality score of your (Google) paid advertisement improves, then

A. Cost per click will increase proportionately
B. Cost per click will decrease
C. Cost per lick will increase at an increasing rate
D. Cost per click will increase at a compounding rate

90. One of the followings is NOT the advantage of exporting.

A. Does not require huge capital on fixed asset
B. Easy to exit when things go wrong
C. Can be done by assigning an agent in the host country
D. Helps to achieve location economies

91. Which of the following market participants have an underlying risk exposure with the commodity and take an equal and opposite position in the cash market and futures market for the purpose of risk management?

A. Dealers
C. C, Speculators
B. Hedgers
D. Arbitragers

92. Which of the following stage is the first stage in the evaluation of sales force

A. Setting performance standard for the accounts
B. Setting sales force profit contribution
C. Setting performance standard for the company
D. Setting performance standard for the salesperson

93. Which is true about breakeven point

A. It is a point where total cost equals total revenue

B. It is a point where the firm achieves highest sales

C. It is a point where the firm can survive for long term

D. d. It is a point where the firm maximizes profit

94. _____ is a lyric or melody produced to promote a particular brand, being one of the brand elements it helps to create brand recall.

A. Package
C. URL
B. Signage
D. Jingle

95. In brand pyramid, the foundation which address the question of "who are you?" is:

A. Brand salience
C. Brand identity
B. Brand feeling
D. Brand response

96. As a manger of a company selling products through its website, if you aim to increase the effectiveness of your paid Search advertising, which of the following factor is least important in your decision

A. Website architecture

B. Pay-per click

C. Relevance of the advertisement displayed

D. Relevance of key words you pay for

97. According to Robinson, Faris, and Wind buy-grid.in which type of buy-class are there repeat purchases of products or services which are triggered automatically when existing stocks reach a certain level as in the case of office supplies.

A. Modified-re-buy
C. First time purchase
B. New-task
D. Straight-re buy

98. Which of the following does not belong to the advanced step in the professional selling process?

A. Negotiating Resistance Or Objections

B. Sales Presentation and Demonstration

C. Confirming and Closing the Sale

D. Approaching the prospect

99. What type of buying decision involves low consumer involvement but significant perceived differences among brands?

A. Complex buying behavior

B. Dissonance-reducing buying behavior

C. Variety-seeking buying behavior

D. Habitual buying behavior

100. Which stage of the consumer decision process involves identifying a difference between a desired state and an actual condition that prompts a decision-making process?

A. Information search

B. Problem recognition

C. Purchase decision

D. Post-purchase evaluation