

# Chapter 1 Review

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### Knowledge and Understanding

- Match each of the following terms to the correct definition below:  
(a) consumer goods      (f) pull strategy  
(b) marketing Ps      (g) market segmentation  
(c) domestic market      (h) push strategy  
(d) marketing strategy      (i) marketing  
(e) industrial goods      (j) value equation
  - sum of all the activities involved in the sale and distribution of goods and services from the original manufacturer to the end user
  - examples include raw materials, processed goods, and finished products
  - goods normally purchased in retail stores
  - business within the borders of Canada
  - a method of dividing up the market into a series of target markets
  - product, pricing, promotion, place, and people
  - the way(s) a company will carry out its marketing plan
  - a marketing strategy that sells products to retailers but not to the end user
  - a marketing strategy that is what many consider marketing to be all about
  - a process that permits a comparison of the benefits of a product, both real and imagined, with the costs involved in obtaining the product
- Why does the marketing of industrial goods not necessarily require as much advertising or promotion as the marketing of consumer goods?
- What are the methods used by marketers to maintain the brand identity in the minds of consumers?
- What is the difference between a target market, an aggregate market, and a differentiated market?

### Thinking and Inquiry

- Consult the Yellow Pages of a phone book, or access the Yellow Pages Web site ([www.yip.ca](http://www.yip.ca)) to find information about companies that provide consumer and industrial goods and services in your community. Make a list of 10 local businesses for each of these 4 different categories. As a class, compare lists and identify the businesses that you or your classmates have patronized.
- Why is the brand management structure crucial to companies that sell a wide variety of products, such as Proctor and Gamble, Kellogg's, and Campbell's? Identify two other companies that have diverse products and markets, and then list the products by company.
- Working with a partner, identify a target market for each of the following goods and services. Explain your reasoning.
  - BMW X5
  - Swiss Chalet restaurant
  - Toys 'R Us
  - Cellular phone
  - Costco
  - National Hockey League ticket
  - Macleans*' magazine
  - CD burner
  - WWF ticket
  - GQ magazine
- Why do many people continue to buy more expensive goods and services when lower priced alternatives are available? List your reasons under the following headings: Product, Price, Place, Promotion.
- Identify the three ways that a brand strategy can develop. Give an example of each.

### Communication

- Peter Drucker defined marketing as a discipline that "starts out with the customers, their demographics, [and] related needs and