Consumer Behavior and Insights 1st edition Phillips Test Bank

SKU: 9780190857134-TEST-BANK

Chapter 2: Contemporary Perspectives on Consumption

Type: multiple choice question
Title: Chapter 02 Question 01
1) Which branch of traditional economics takes the contexts of decisions into account?
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. Macroeconomics
b. Cognitive economics
c. Microeconomics
*d. Behavioral economics

Type: multiple choice question
Title: Chapter 02 Question 02
2) The behavioral economics perspective recognizes that different contexts of consumption will result in _______ behaviors.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. consistent
*b. different
c. neutral
d. unbiased

Type: multiple choice question
Title: Chapter 02 Question 03
3) Exchange value is
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
*a. how much a product is worth to a consumer.
b. the differences between two similar products.
c. a measure of what function the product performs.
d. the perceived personal relevance of a product.

Type: multiple choice question
Title: Chapter 02 Question 04
4) Utility value is
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. the perceived personal relevance of a product.
b. how much a product is worth to a consumer.
c. the differences between two similar products.
*d. a measure of what function the product performs.

Type: multiple choice question
Title: Chapter 02 Question 05
5) If a consumer decides not to purchase a product because it is too expensive this means that the _______ value is too high for them.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
*a. exchange
b. absolute
c. symbolic
d. contained

Type: multiple choice question
Title: Chapter 02 Question 06
6) If a consumer decides to purchase a designer purse over a much cheaper alternative, which value is highest to them?
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. Utility value
b. Exchange value
*c. Symbolic value
d. Contained value

Type: multiple choice question
Title: Chapter 02 Question 07
7) Smiling at a puppy or jumping at a loud sound are examples of consumers operating in _______ mode.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. reflective
*b. automatic
c. emotional
d. independent

Type: multiple choice question
Title: Chapter 02 Question 08
8) A consumer that is searching for the perfect gift for a loved one is operating in _______ mode.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
*a. reflective
b. automatic
c. emotional
d. independent

Type: multiple choice question
Title: Chapter 02 Question 09
9) The presentation of two or more choices that influence consumers to make the “preferred” choice is known as choice
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. personality.
*b. architecture.
c. representation.
d. management.

Type: multiple choice question
Title: Chapter 02 Question 10
10) _______ occurs when individuals allocate assets into separate categories to which they assign different levels of utility.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
*a. Mental accounting
b. Purchasing analysis
c. Choice architecture
d. Scenario planning

Type: multiple choice question
Title: Chapter 02 Question 11
11) _______ is the tendency of individuals to dislike losses more than gains of an equivalent amount.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. Choice architecture
b. Default mode
*c. Loss aversion
d. Mental accounting

Type: multiple choice question
Title: Chapter 02 Question 12
12) The concept of loss aversion predicts that achieving a gain is
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
*a. not as motivating as avoiding a loss.
b. an effective way to offset perceived loss.
c. more motivating than avoiding a loss.
d. an ineffective way to offset perceived loss.

Type: multiple choice question
Title: Chapter 02 Question 13
13) The endowment effect is the tendency for individuals to value the things that
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. others want.
b. cost more.
c. are symbolic.
*d. they own.

Type: multiple choice question
Title: Chapter 02 Question 14
14) The set of informal rules that a society imposes to guide individual behavior are called
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. beliefs.
*b. norms.
c. values.
d. defaults.

Type: multiple choice question
Title: Chapter 02 Question 15
15) A community is given information on their energy consumption as well as the average consumption in their area. Which phenomenon occurs when an above-average consumers decrease their energy use, but below-average users increase their energy use?
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. The endowment effect
b. The nudging effect
c. The diffusion effect
*d. The boomerang effect

Type: multiple choice question
Title: Chapter 02 Question 16
16) Nudging happens when subtle cues are used to help consumers make choices that are
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. conservative.
b. based on value.
c. innovative.
*d. better for them.

Type: multiple choice question
Title: Chapter 02 Question 17
17) Providing healthy options that are easily available in school cafeterias and making unhealthy options less available will nudge students to
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
*a. choose healthy options.
b. choose to eat less.
c. bring food from home.
d. become more active.

Type: multiple choice question
Title: Chapter 02 Question 18
18) A _______ is a preselected option that a consumer makes without active thought or consideration.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. norm
b. custom
c. nudge
*d. default

Type: multiple choice question
Title: Chapter 02 Question 19
19) _______ is the phenomenon whereby which exposure to a stimulus alters an individual's response without their conscious awareness.
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. Nudging
*b. Priming
c. Diffusion
d. Aversion

Type: multiple choice question
Title: Chapter 02 Question 20
20) What are the three major priming effects?
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. Money, status, and culture
b. Norms, endorsement, and trends
*c. Words, sights, and smells
d. None of the above

Type: multiple choice question
Title: Chapter 02 Question 21
21) Which concept in behavioral economics demonstrates that consumers are influenced by a variety of external and contextual factors?
Feedback: Page reference: Behavioral Economics
Learning objective: 2.1
a. Diffusion
*b. Priming
c. Endowment
d. Reflection

Type: multiple choice question
Title: Chapter 02 Question 22
22) The concept of behavioral economics that focuses on consumers seeking engaging activities is called
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
*a. experiential marketing.
b. consumer culture theory.
c. the endowment effect.
d. choice architecture.

Type: multiple choice question
Title: Chapter 02 Question 23
23) The _______ aspects of consumption involve the experience of sensations that enter a consumer's consciousness through one of the five senses.
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. discriminate
b. hedonic
c. functional
*d. sensory

Type: multiple choice question
Title: Chapter 02 Question 24
24) _______ aspects of consumption involve multiple senses, emotions, and even some fantasy.
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. Discriminate
*b. Hedonic
c. Functional
d. Sensory

Type: multiple choice question
Title: Chapter 02 Question 25
25) Watching a movie is an act of _______ consumption.
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. sensory
b. default
c. automatic
*d. hedonic

Type: multiple choice question
Title: Chapter 02 Question 26
26) Experiential marketing perspective that views consumers as
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. rational decision-makers.
b. risk averse.
c. Both a and b
*d. None of the above

Type: multiple choice question
Title: Chapter 02 Question 27
27) There are _______ key stages in the consumption of an experience.
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
*a. four
b. two
c. six
d. three

Type: multiple choice question
Title: Chapter 02 Question 28
28) The consumption experience that involves searching for, planning, and imagining the experience is called the
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. core consumption experience.
b. nostalgia experience.
*c. preconsumption experience.
d. purchase experience.

Type: multiple choice question
Title: Chapter 02 Question 29

29) Which consumption experience includes the choice process and the interaction with the service setting?
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. The preconsumption experience
b. The remembered experience
c. The core consumption experience
*d. The purchase experience

Type: multiple choice question
Title: Chapter 02 Question 30
30) Which consumption experience involves the sensation of consumption and whether we feel good about it or not?
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. The remembered experience
*b. The core consumption experience
c. The purchase experience
d. The preconsumption experience

Type: multiple choice question
Title: Chapter 02 Question 31
31) Which consumption experience involves reliving past experience and classifying this experience among other experiences?
Feedback: Page reference: Experiential Marketing
Learning objective: 2.2
a. The core consumption experience
b. The purchase experience
c. The preconsumption experience
*d. The nostalgia experience

Type: multiple choice question
Title: Chapter 02 Question 32
32) _______ is a broad collection of models, perspectives, and research methods for studying the social and cultural aspects of consumption.
Feedback: Page reference: Consumer Culture Theory
Learning objective: 2.2
a. Experiential marketing
*b. Consumer culture theory
c. Cognitive research
d. The positivist approach

Type: multiple choice question

Title: Chapter 02 Question 33
33) Which of the following themes focuses on consumers seeking to develop themselves through their consumption behavior?
Feedback: Page reference: Consumer Culture Theory
Learning objective: 2.2
a. Sociohistoric patterning of consumption
b. Marketplace culture research
c. Mass-mediated marketplace ideologies
*d. Consumer identity projects

Type: multiple choice question
Title: Chapter 02 Question 34
34) Which of the following themes focuses on how consumers interact with the marketplace, how their particular consumption needs are served by it, and how consumers become influencers?
Feedback: Page reference: Consumer Culture Theory
Learning objective: 2.2
*a. Marketplace culture research
b. Sociohistoric patterning of consumption
c. Mass-mediated marketplace ideologies
d. Consumer identity projects

Type: multiple choice question
Title: Chapter 02 Question 35
35) Which of the following themes focuses on how consumption experiences are influenced by the institutions and social structures in our lives?
Feedback: Page reference: Consumer Culture Theory
Learning objective: 2.2
a. Marketplace culture research
*b. Sociohistoric patterning of consumption
c. Mass-mediated marketplace ideologies
d. Consumer identity projects

Type: multiple choice question
Title: Chapter 2 Question 36
36) _______ focus(es) on how consumers make sense of marketing messages and develop responses to them?
Feedback: Page reference: Consumer Culture Theory
Learning objective: 2.2
a. Marketplace cultures
b. Sociohistoric patterning of consumption
*c. Mass-mediated marketplace ideologies
d. Consumer identity projects

Type: multiple choice question
Title: Chapter 2 Question 37
37) Advancements in technology are _______ changes in consumer needs.
Feedback: Page reference: Innovation and Consumer Behavior
Learning objective: 2.3
a. a result of
b. responsible for
c. necessitated by
*d. All of the above

Type: multiple choice question
Title: Chapter 02 Question 38
38) _______ innovations are small, incremental improvements in products that tend to create very few changes to consumption patterns?
Feedback: Page reference: Innovation and Consumer Behavior
Learning objective: 2.3
*a. Continuous
b. Discontinuous
c. Conspicuous
d. Dynamically continuous

Type: multiple choice question
Title: Chapter 02 Question 39
39) _______ innovations are new products or features that create some changes in behavioral patterns for consumers.
Feedback: Page reference: Innovation and Consumer Behavior
Learning objective: 2.3
a. Continuous
b. Discontinuous
c. Compensatory
*d. Dynamically continuous

Type: multiple choice question
Title: Chapter 02 Question 40
40) _______ are disruptive to a consumer's established consumption patterns.
Feedback: Page reference: Innovation and Consumer Behavior
Learning objective: 2.3
a. Continuous
*b. Discontinuous
c. Compensatory
d. Dynamically continuous

Type: multiple choice question
Title: Chapter 02 Question 41
41) _______ are the first people to adopt a new product.
Feedback: Page reference: Innovation and Consumer Behavior
Learning objective: 2.3
*a. Innovators
b. Early adopters
c. Early majority
d. Late Majority

Type: multiple choice question
Title: Chapter 02 Question 42
42) What type of consumers are motivated to purchase a product because almost everyone else has one and prices are dropping?
Feedback: Page reference: Innovation and Consumer Behavior
Learning objective: 2.3
a. Laggards
b. Early majority
*c. Late majority
d. Early adopters

Type: multiple choice question
Title: Chapter 02 Question 43
43) _______ refers to how new innovations are accepted and spread throughout a group of consumers.
Feedback: Page reference: Innovation and Consumer Behavior
Learning objective: 2.3
a. Choice architecture
b. The endowment effect
*c. Diffusion of innovation
d. Sociohistoric patterning

Type: multiple choice question
Title: Chapter 02 Question 44
44) The power of _______ is one of the most important contemporary topics in consumer behavior.
Feedback: Page reference: Online Social Networks
Learning objective: 2.4
a. mental accounting
b. online endowment effect
c. sociohistoric patterning
*d. online social networks

Type: multiple choice question
Title: Chapter 02 Question 45
45) Social media has changed a variety of consumption-related behaviors, such as
Feedback: Page reference: Online Social Networks
Learning objective: 2.4
a. recommending products.
b. complaining about products.
*c. Both a and b
d. None of the above

Type: multiple choice question
Title: Chapter 02 Question 46
46) _______ is a method for studying online communities that investigates communications between individuals and how relationships and meanings are developed and shared.
Feedback: Page reference: Online Social Networks
Learning objective: 2.4
*a. Netnography
b. Discourse analysis
c. Ethnography
d. Narrative analysis

Type: multiple choice question
Title: Chapter 02 Question 47
47) Online reviews more meaningful than advertisements because they are
Feedback: Page reference: Online Social Networks
Learning objective: 2.4
a. used to create meaningful brand relationships.
b. developed by marketing professionals.
*c. written by consumers with real experiences.
d. designed to influence consumer behavior.

Type: multiple choice question
Title: Chapter 02 Question 48
48) Social media offers opportunities to connect and to enhance the consumer's relationship with a brand by
Feedback: Page reference: Online Social Networks
Learning objective: 2.4
a. anticipating consumer responses.
*b. engaging specific consumer groups.
c. embracing socialized inhibition.
d. company-sponsored social network sites.

Type: essay/short answer question

Title: Chapter 02 Question 49
49) Define exchange value. Why it is important for companies to know this value?
Feedback:
- How much the product is worth to the consumer, which is usually expressed as the product's price
- In a competitive market, the price is a balance between the maximum consumers will pay and the minimum suppliers will take, so exchange value is critical in how markets function

Page reference: Behavorial Economics
Learning objective: 2.1

Type: essay/short answer question
Title: Chapter 02 Question 50
50) What is the difference between exchange value, utility value, and symbolic value?
Feedback:
- Exchange value: How much the product is worth to the consumer
- Utility value: A measure of what function the product performs for the consumer
- Symbolic value: A collection of deeper meanings that consumers attach to products

Page reference: Behavorial Economics
Learning objective: 2.1

Type: essay/short answer question
Title: Chapter 02 Question 51
51) Define experiential marketing. Define the two important aspects of experiential marketing? Provide an example of each.
Feedback:
- Concept of behavioral economics focuses on consumers seeking engaging activities
- *Sensory consumption*: the experience of sensations that enter one's consciousness through one of a consumer's five senses
- *Hedonic consumption*: involves multiple senses, emotions, and even some fantasy

Page reference: Experiential Marketing
Learning objective: 2.2

Type: essay/short answer question
Title: Chapter 02 Question 52
52) What is the impact of behavioral economics and experiential marketing?
Feedback:
- The impact of behavioral economics and experiential marketing has been enduring in how marketers see consumers because it shifts the emphasis away from consumers as simply buyers to a focus on consumers as participants in experiences

Page reference: Experiential Marketing
Learning objective: 2.2

Type: essay/short answer question
Title: Chapter 02 Question 53
53) Define consumer culture theory.
Feedback:

- It is a broad collection of models, perspectives, and research methods for studying the social and cultural aspects of consumption
- It attempts to understand how consumers form individual and collective identities around consumption, as well as the interactions between these identities, consumption communities, and the broader sociocultural environment

Page reference: Consumer Culture Theory
Learning objective: 2.2

Type: essay/short answer question
Title: Chapter 02 Question 54
54) Explain why online community interactions can be extremely helpful to consumers. What helps us understand this aspect of consumer behavior?
Feedback:

- They form important relationships with people who are going through the same thing
- The friends they make and the support they get become an important part of their own social identity
- Consumers are more likely to achieve a goal because the commitment is now intertwined with their own identity
- Consumer culture theory

Page reference: Consumer Culture Theory
Learning objective: 2.2

Type: essay/short answer question
Title: Chapter 02 Question 55
55) How does technology and innovation influence product choice and consumption?
Feedback:

- Technology is an important driver of social change, and as new innovations are introduced at an increasingly quick pace, the consumption experience itself begins to shift and change

Page reference: Innovation and Consumer Behavior
Learning objective: 2.3

Type: essay/short answer question
Title: Chapter 02 Question 56
56) What are the three factors influencing the way in which a new innovation impacts consumption?
Feedback:

- Disruptive innovation, the impact exerted by the external environment, and unanticipated social and economic consequences

Page reference: Innovation and Consumer Behavior
Learning objective: 2.3

Type: essay/short answer question
Title: Chapter 02 Question 57
57) How has social media changed how consumers interact with brands?
Feedback:

- Social media offers many opportunities to connect and to enhance the consumer's relationship with the brand

Page reference: Online Social Networks
Learning objective: 2.4

Type: essay/short answer question
Title: Chapter 02 Question 58
58) Why do consumers trust online reviews?
Feedback:

- Reviewers provide honest feedback on a company, product, or experience and are a good indication to new consumers about what to expect from the consumption experience

Page reference: Online Social Networks
Learning objective: Learning objective: 2.4

Type: essay/short answer question
Title: Chapter 02 Question 59
59) How do company-sponsored social networking sites facilitate a different type of interaction with current and potential customers?
Feedback:

- Consumers can become more engaged in the brand when they play games, complete quizzes, or enter competitions via social media
- Social media sites have opened up more ways for two-way communication and provide a convenient way for consumers to share information with one another, such as tips for using products or reviews of products

Page reference: Online Social Networks
Learning objective: Learning objective: 2.4

Type: essay/short answer question
Title: Chapter 02 Question 60
60) How can behavioral economics be used to improve our understanding of consumer behavior? Identify and define the seven concepts that derive from behavioral economics. For each one, describe how a marketing manager might utilize this concept.
Feedback:

- Behavioral economics proposes that an individual's behavior is complex and is influenced by rational, emotional, contextual, and sociocultural factors
- Exchange and value—exchange value, utility value, and symbolic value
- Reflective and automatic modes—do or do not consciously think before behaving
- Mental accounting—when an individual mentally allocates assets
- Loss aversion—dislike losses more than an equivalent gain
- Norms—informal rules that society imposes to guide individual behavior
- Defaults—a preselected option that a consumer makes without active thought or consideration
- Priming—exposure to a stimulus alters an individual's response, without conscious awareness

Page reference: Behavioral Economics
Learning objective: 2.1

Type: essay/short answer question
Title: Chapter 02 Question 61
61) What is experiential marketing and how is it different from other conceptualizations of consumption? Explain the sensory and the hedonic aspects of experiential consumption. Identify and describe the four key stages in the consumption of an experience.
Feedback:

- Experiential marketing is a way for researchers to better understand marketing
- It is a shift in emphasis from the consumer as rational decision-maker to a model where the consumer is viewed as an experience-seeker
- Sensory aspects of consumption involve the experience of sensations that enter one's consciousness through one of a consumer's five senses
- Hedonic aspects of consumption involve multiple senses, emotions, and even some fantasy
- Preconsumption: searching for, planning, and imagining the experience
- Purchase: the choice process and the interaction with the service setting
- Core consumption: the sensation of consumption and how consumers feel about it
- Remembered consumption and the nostalgia experience: reliving the past experience and classifying this experience among other experiences

Page reference: Experiential Marketing
Learning objective: 2.2

Type: essay/short answer question
Title: Chapter 02 Question 62
62) List and describe the four key themes of consumer culture theory. What insights can marketers derive from them?
Feedback:

- Consumer identity projects: research focused on consumers seeking to develop their identity through their consumption behavior
- Marketplace cultures: research focused on how consumers interact with the marketplace, how their particular consumption needs are served by it, and how consumers become influencers and producers of culture
- The sociohistoric patterning of consumption: research focused on how consumption experiences are influenced by the institutions and social structures in our lives, such as gender, social class, and ethnicity
- Mass-mediated marketplace ideologies and consumers' interpretive strategies: research focused on how consumers make sense of marketing messages and develop responses to them
- It attempts to understand how consumers form individual and collective identities around consumption, as well as the interactions between these identities, consumption communities, and the broader sociocultural environment

Page reference: Consumer Culture Theory
Learning objective: 2.2

Type: essay/short answer question
Title: Chapter 02 Question 63
63) List the categories, characteristics, and marketing strategy implications of consumers at different stages of the diffusion of innovation curve
Feedback:

- Innovators: visionaries and technology enthusiasts that enjoy being the first to get new technological products and will often spend more money to get them
- Early adopters: genuinely enjoy the process of discovering new technologies and embrace new social technologies before most people do. They are opinion leaders within their social groups that enjoy sharing their ideas about products
- Early majority: carefully watch what innovators or early adopters do before committing to a purchase and prefer incremental improvements on existing technology. They do not like risk, are somewhat price sensitive, and like to compare product features
- Late majority: conservative and skeptical about new products and will only adopt a new innovation when almost everyone else has. They are bound by tradition and may even fear high-tech products
- Laggards: similar to late majority and will only adopt a new innovation when they are forced to do so. They are likely to be older and have a low socioeconomic status
- Consumers adopt a new product at different points and marketers can adjust their strategies to meet the needs of those consumers

Page reference: Innovation and Consumer Behavior
Learning objective: 2.3