



Competency-Based
Competitive Events
Written Exam
for District/Regional Use

Test Number 1069

Booklet Number _____

Marketing Cluster Exam

ADC - Advertising Campaign Event
AAM - Apparel and Accessories Marketing Series Event
ASM - Automotive Services Marketing Series Event
BSM - Business Services Marketing Series Event
BTDM - Buying and Merchandising Team Decision Making Event
FMP - Fashion Merchandising Promotion Plan Event
FMS - Food Marketing Series Event
MTDM - Marketing Communications Team Decision Making Event
MMS - Marketing Management Series Event
PSE - Professional Selling Event
RMS - Retail Merchandising Series Event
SEM - Sports and Entertainment Marketing Series Event
SEPP – Sports and Entertainment Promotion Plan Event
STDM - Sports and Entertainment Marketing Team Decision Making Event

INSTRUCTIONS: This is a timed, comprehensive exam for the occupational area identified above. Do not open this booklet until instructed to do so by the testing monitor. You will have _____ minutes to complete all questions.

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1. The purpose of legal procedure is to ensure that each party receives
 - A. ongoing advice.
 - B. consistent treatment.
 - C. a reasonable verdict.
 - D. an indictment.
2. Wal-mart, Chevron Texaco, and Ford Motor Company sell stock in their companies. They are examples of which of the following types of business ownership:
 - A. Franchisee
 - B. Corporation
 - C. Partnership
 - D. Sole proprietorship
3. Channels of distribution benefit businesses by
 - A. lowering the prices of all industrial goods.
 - B. getting their products to consumers more efficiently.
 - C. raising their profits each year.
 - D. allowing them to avoid all channel tasks.
4. Which of the following would not be considered an intermediary in a channel of distribution:
 - A. Agent
 - B. Retailer
 - C. Producer
 - D. Wholesaler
5. The negative effect of slotting fees is that they often limit a small producer's ability to
 - A. introduce new items in the marketplace.
 - B. develop exclusive-dealing policies.
 - C. use direct-distribution strategies.
 - D. identify potential target markets.
6. What type of channel conflict often occurs between manufacturers and their authorized dealers?
 - A. Corporate
 - B. Horizontal
 - C. Indirect
 - D. Vertical
7. When you look for supporting evidence in published materials, you are evaluating the
 - A. timeliness of the content.
 - B. readability of the text.
 - C. margin of error.
 - D. credibility of the sources.
8. Listening carefully should enable employees to
 - A. earn frequent raises.
 - B. become good speakers.
 - C. avoid criticism.
 - D. follow directions.
9. Sara is a new marketing employee who is learning that the best way to listen to customers is
 - A. passively.
 - B. actively.
 - C. emotionally.
 - D. distractedly.
10. When Amber walked by Ryan's desk, she noticed that Ryan was raking his left hand through his hair, that his face was red, and that he kept hitting the enter button on keyboard with his right hand, while frowning at his computer screen. Based on his nonverbal cues, Amber would probably assume that Ryan was
 - A. patient.
 - B. frustrated.
 - C. bored.
 - D. enthusiastic.
11. Which of the following examples illustrates the use of the cause and effect method of a format for structuring oral presentations:
 - A. We will begin by discussing the basic steps used in developing effective time management techniques, and the first step is to prioritize all of your commitments.
 - B. The public supports increased spending on national security, and a survey reports that over seventy percent of the citizens fear future terrorist attacks.
 - C. Monet and Cezanne were both impressionist artists; however, their painting techniques and use of color varied greatly.
 - D. The use of toxic chemicals in the environment can result in the extinction of many species of waterfowl.

12. Allison is attending a business seminar. Because the seminar presenter is speaking very quickly, Allison is having a difficult time taking accurate notes. What technique would help Allison take notes quickly?
- A. Use abbreviations and symbols
 - B. Write notes on index cards
 - C. Focus on the subtopics
 - D. Ask the speaker to provide handouts
13. An e-mail message that is sent to a coworker should contain
- A. a persuasive argument.
 - B. an urgent tone.
 - C. essential information.
 - D. encouraging news.
14. Employees often use simple written reports to provide managers with _____ information.
- A. extensive
 - B. analytical
 - C. in-depth
 - D. routine
15. Many businesses try to foster positive customer/client relations by encouraging employees to be
- A. talkative.
 - B. friendly.
 - C. reserved.
 - D. authoritative.
16. A local supermarket's front-end employees are trained to smile and greet customers as they approach the cash register and say thank you as customers leave. This approach
- A. decreases customer patronage.
 - B. builds customer loyalty.
 - C. encourages employee rivalry.
 - D. decreases employee productivity.
17. Which of the following is often the best way for a salesperson to handle the slow/methodical type of difficult customer:
- A. Summarize benefits
 - B. Ask their advice
 - C. Be brief
 - D. Let the customer do the talking
18. Distribution examines how income is divided between
- A. consumers and resource owners.
 - B. producers and resource owners.
 - C. consumers and producers.
 - D. producers and economizers.
19. Consumers buy products to benefit
- A. marketers.
 - B. themselves.
 - C. producers.
 - D. retailers.
20. Which of the following is a disadvantage of the matrix organizational structure:
- A. It lacks flexibility.
 - B. It makes the organization less competitive.
 - C. It cannot balance conflicting organizational objectives.
 - D. It violates the unity of command principle.
21. Kent is going to start his own business. He is concerned that the merchandise he wants to carry will go out of style soon after opening his business. Which type of risk must he prepare for?
- A. Economic
 - B. Natural
 - C. Human
 - D. Incompetence
22. The payment of taxes to the federal government allows it to provide goods and services to _____ and _____.
- A. businesses; households
 - B. businesses; resource markets
 - C. households; product markets
 - D. businesses; product markets
23. Which of the following economic laws is a business following when it stops hiring after its current employees achieve a certain level of productivity:
- A. Negative returns
 - B. Diminishing returns
 - C. Marginal revenues
 - D. Variable products

24. The goods and services sold during a year to foreign buyers are a country's
- A. gross private investments.
 - B. imports.
 - C. exports.
 - D. personal consumption expenditures.
25. Which of the following occurs when a country can produce goods at a relatively more efficient rate than another country:
- A. Absolute advantage
 - B. Comparative advantage
 - C. Trade deficit
 - D. Trade surplus
26. An employee who is able to adjust to changing conditions possesses the desirable trait of
- A. loyalty.
 - B. adaptability.
 - C. friendliness.
 - D. tact.
27. Which of the following is a reason to avoid drawing distinctions between people:
- A. Discrimination is illegal.
 - B. Everyone is unique.
 - C. Some people aren't "normal."
 - D. Certain people don't deserve respect.
28. Cameron said to his manager, "The order didn't ship because Sam didn't tell me that we didn't have enough items in stock." What is Cameron doing?
- A. Blaming another person for a communication breakdown
 - B. Acknowledging that he failed to follow through with the order
 - C. Stating the facts on Sam's behalf
 - D. Responding to inappropriate remarks
29. In order for teachers to prepare report cards, they must _____ their students.
- A. motivate
 - B. criticize
 - C. evaluate
 - D. compliment
30. You are in a better position to control your own future if you _____ change.
- A. agonize over
 - B. anticipate
 - C. wait for
 - D. avoid
31. Persuasion is an important part of which of the following functions:
- A. Education
 - B. Motivation
 - C. Communication
 - D. Self-control
32. Because people often change their negotiating styles and strategies, effective negotiators must be
- A. optimistic.
 - B. flexible.
 - C. indifferent.
 - D. uneasy.
33. A primary reason that employees experience burnout in the workplace is because they
- A. become bored with the work.
 - B. receive new work assignments.
 - C. interact with coworkers.
 - D. obtain feedback from managers.
34. One of the differences among people that can be difficult to change is their
- A. language usage.
 - B. job position.
 - C. education.
 - D. mental ability.
35. When Brandon lost his job due to downsizing, the government sent him an unemployment check to help him cover his living expenses until he found another job. What is Brandon's source of income?
- A. Transfer payment
 - B. Rebate
 - C. Refund
 - D. Wage garnishment

36. One reason customers who pay for products with a credit card usually want to know the interest charges is because those charges
- A. generate the profit for the business.
 - B. increase the retail price.
 - C. are calculated on a yearly basis.
 - D. add to the cost of the purchase.
37. Which of the following is categorized as a fixed expense in a personal budget:
- A. Groceries
 - B. Car payment
 - C. Home repairs
 - D. Clothing
38. Which of the following is an example of a payroll deduction:
- A. Health insurance
 - B. Overtime hours
 - C. Net pay
 - D. Pay rate
39. Which of the following financial services providers is most likely to provide a small, local coffee shop with business loans, checking and savings accounts, and overdraft protection:
- A. Eastern Region Investment Bank
 - B. Marley and Winston Commercial Bank
 - C. Walker, Steinbrenner, and Houghton, CPA Firm
 - D. Allen and Mellon Brokerage Firm
40. Loss due to shoplifting is an example of a(n) _____ business risk.
- A. economic
 - B. human
 - C. natural
 - D. internal
41. What is often one of the largest sources of money flowing out of a business?
- A. Payroll and benefits
 - B. Accounts receivable
 - C. Profit and loss
 - D. Goods and services
42. When businesses invest funds to expand, they are involved in the process of
- A. selling.
 - B. depreciation.
 - C. finance.
 - D. capitalism.
43. Many businesses use their company manuals as a source of information in order to _____ new employees.
- A. select
 - B. recruit
 - C. manage
 - D. orient
44. A manufacturer has learned that its market is expanding. How should this information be used?
- A. To buy risk protection insurance
 - B. To drop current product lines
 - C. To lay off employees
 - D. To increase production
45. What is a company's private computer network that allows authorized users to share information?
- A. Intranet
 - B. Internet
 - C. E-mail
 - D. Extranet
46. Advertisers that use concept testing to obtain feedback from potential customers are conducting
- A. target readership evaluation.
 - B. focus group analysis.
 - C. primary market research.
 - D. pretest idea measurement.
47. What is the relationship between research purpose and research design?
- A. There is no relationship between the two.
 - B. Purpose dictates design.
 - C. Design is more important than purpose.
 - D. Design is unnecessary.

48. Which of the following is a true statement about sample size:
- A. Sample size is more important than sample design.
 - B. The larger the sample size, the better.
 - C. It must be determined before the target population is defined.
 - D. The size of the sample does not matter.
49. The data needed for sales volume analyses and market share analyses come from
- A. company sales reports.
 - B. expense reports.
 - C. sales invoices.
 - D. customer records.
50. What data-collection method can be used to obtain product information during the point-of-purchase process?
- A. Photographic scanner
 - B. Volume-tracking scanner
 - C. E-mail survey
 - D. Statistical survey
51. What process might a business use to enter marketing data into a computer for analysis?
- A. Editing
 - B. Keyboarding
 - C. Screening
 - D. Tabulating
52. A research study participant providing incorrect information on a questionnaire is an example of a
- A. feedback method.
 - B. negative answer.
 - C. false positive.
 - D. response error.
53. One way to determine the usefulness and accuracy of research information is to
- A. assess timeliness.
 - B. organize a database.
 - C. calculate frequency.
 - D. develop a profile.
54. Customers are more likely to spend a lot of time evaluating several options before buying a product when
- A. the need is immediate.
 - B. the product is perishable.
 - C. the product is expensive.
 - D. brand insistence is a factor.
55. A market for goods and services exists when there is a group of
- A. laborers.
 - B. responsible homeowners.
 - C. professionals.
 - D. potential consumers.
56. What types of environmental factors do businesses often consider when conducting a situational analysis?
- A. Formal and informal
 - B. Physical and personal
 - C. Ethical and legal
 - D. Internal and external
57. The Microsoft Corporation generated \$51.12 billion in revenue in 2007. This is an example of
- A. factual information.
 - B. unwarranted criticism.
 - C. inconclusive evidence.
 - D. current data.
58. How does appropriate information management affect a business's relationship with its customers?
- A. Businesses lose focus on customers.
 - B. Businesses earn higher profits.
 - C. Businesses serve customers more effectively.
 - D. Businesses make better financial decisions.
59. A company's computer network allows many users to access the same programs on different computer units throughout the company. What type of computer operating system is the company using?
- A. Hosted
 - B. Multithreading
 - C. Augmented
 - D. Multiprocessing

60. What feature do many word-processing software programs contain that enables businesses to prepare accurate written documents?
- A. Encyclopedia
 - B. Calculator
 - C. Flowchart
 - D. Dictionary
61. A benefit of using an integrated software application package is that it allows businesses to
- A. manage all aspects of the operation.
 - B. develop research reports.
 - C. search the Internet for information.
 - D. prepare routine budgets.
62. If a business wants all of the members of a project team to have the ability to access the same information from different locations, it should use _____ applications.
- A. data mining
 - B. presentation software
 - C. spreadsheet software
 - D. groupware computer
63. Businesses usually maintain customer sales records that contain information about the
- A. discounts offered by manufacturers.
 - B. types of products being purchased.
 - C. cost of paying commissioned salespeople.
 - D. suppliers that provide the goods.
64. A clothing manufacturer builds quality into its operating system, placing responsibility on each employee. This process is known as quality
- A. delivery.
 - B. guarantee.
 - C. assurance.
 - D. inspection.
65. Some companies have lowered the number of accidents on the job by using
- A. fewer workers.
 - B. safety programs.
 - C. suggestion boxes.
 - D. surveillance cameras.
66. The purpose of depositing large bills in drop boxes upon receipt is to prevent
- A. robbery.
 - B. fraud.
 - C. burglary.
 - D. pilferage.
67. What do managers often do after a project has been successfully completed?
- A. Provide feedback to vendors
 - B. Close the front office
 - C. Give up power
 - D. Prepare a report
68. Tatiana is a project manager who is ready to close a project, and has scheduled a “lessons learned” meeting with the project team. What will Tatiana most likely include on her meeting agenda?
- A. Explanation of the stakeholders' expectations
 - B. The definition of the project's purpose
 - C. Discussion of specific challenges encountered
 - D. The distribution of project resources allocated
69. Which of the following represents an operating expense for a business:
- A. Sales revenue
 - B. Cost of goods
 - C. Cost of utilities
 - D. Returns and allowances
70. Which of the following is a true statement about housekeeping in a retail business:
- A. It is not an important responsibility.
 - B. It is usually a monthly activity.
 - C. It is an ongoing responsibility.
 - D. It is limited to emptying trash.
71. Which of the following would be a short-term financial goal:
- A. Starting your own business
 - B. Saving enough to buy a DVD
 - C. Walking a mile every day
 - D. Getting a promotion within five years

72. Creative problem solving requires the ability to think
- A. nontraditionally.
 - B. systematically.
 - C. methodically.
 - D. illogically.
73. The principles by which you live your life are referred to as your
- A. feelings.
 - B. values.
 - C. issues.
 - D. interests.
74. What should job applicants do if certain questions on the application do not pertain to them?
- A. Leave the space blank
 - B. Make up an answer
 - C. Ignore the question
 - D. Write N/A in the space
75. Job applicants often list on their résumés the names, positions, and addresses of several people who are willing to serve as
- A. references.
 - B. companions.
 - C. associates.
 - D. colleagues.
76. Which of the following is an example of an occupationally specific trade association:
- A. Retail Merchants Association
 - B. National Restaurant Association
 - C. Chamber of Commerce
 - D. Sales and Marketing Executives International
77. The price factor is important to the other three factors in marketing because the four marketing factors are
- A. in competition.
 - B. interdependent.
 - C. unique.
 - D. equivalent.
78. Predatory pricing is an unethical business practice because it can create economic conditions in which
- A. consumers have fewer choices.
 - B. consumers pay higher property taxes.
 - C. small businesses gain significant profits.
 - D. small businesses control market conditions.
79. Product/service management can help to decrease
- A. business risk.
 - B. profits.
 - C. sales.
 - D. financial success.
80. What is a technologically advanced method that allows businesses to produce products that are specialized for a very few customers?
- A. Mass customization
 - B. Automatic production
 - C. Computerized robotics
 - D. Intermittent conversion
81. Which of the following is an example of a business behaving ethically in an effort to protect consumers:
- A. Explaining the new manufacturing process
 - B. Wrapping products in plain paper
 - C. Placing informative commercials on television
 - D. Using tamper-resistant packaging
82. Being attentive, watching trends, and pinpointing problems are ways for entrepreneurs to uncover
- A. true motives.
 - B. financial strategies.
 - C. intangible goals.
 - D. product opportunities.
83. What synectics technique compares a problem with something else that is unrelated?
- A. Discretionary comparisons
 - B. Forced analogies
 - C. Arbitrary metaphors
 - D. Deliberate allegories

84. Feedback from customers about problems with products provides producers with the information needed to
- A. select promotional media.
 - B. hire employees.
 - C. make product improvements.
 - D. modify brand values.
85. Which of the following would be least likely to be found on the label of a nonhazardous product:
- A. Proper circumstances for use
 - B. Acceptable uses
 - C. Precautions when using the product
 - D. Ingredients
86. What a brand is and stands for, as well as how it behaves and the qualities it projects, are embodied in its
- A. personality.
 - B. identity.
 - C. logo.
 - D. equity.
87. The marketing function that helps sellers to provide information to buyers about the seller's products is
- A. distribution.
 - B. promotion.
 - C. purchasing.
 - D. financing.
88. One reason advertising prescription drugs online might be considered an ethical issue is because the advertisements might persuade customers to
- A. use drugs they do not need.
 - B. obtain drugs from the manufacturer.
 - C. buy drugs they cannot afford.
 - D. order drugs that are inexpensive.
89. Which of the following technological tools has made it possible for a business to send personalized promotional messages in a cost-efficient manner:
- A. Electronic mail
 - B. Encryption card
 - C. Interactive banner
 - D. Exclusive kiosk
90. What type of promotional media might a statewide chain of supermarkets use in order to reach a large number of potential customers in its geographic area?
- A. Regional magazines
 - B. Suburban newspapers
 - C. National television
 - D. Transit advertising
91. What best describes the goal of amplified word-of-mouth?
- A. Encouraging customers to provide both positive and negative feedback
 - B. Providing information to activists to share with others
 - C. Building loyal relationships with the customers
 - D. Improving the quality of goods and services the business offers
92. What communication channels is a corporation's public-relations department most likely to use to maintain positive relationships with shareholders?
- A. Newsletters, annual reports, and the company's web site
 - B. Press releases, online social networks, and print advertisements
 - C. News conferences, consumer blogs, and employee manuals
 - D. Policy manuals, commercials, and sponsorships
93. What communication channel do businesses often use to disseminate positive public-relations information about themselves and their employees to external audiences?
- A. The media
 - B. Marketing-research firm
 - C. Creative writer
 - D. Infomercial
94. The most appropriate way for the High-Tech Computer Company to communicate information about its new line of computers at a trade show is by
- A. sending direct mail.
 - B. holding product demonstrations.
 - C. placing billboard advertisements.
 - D. developing a contest.

95. A business's advertising and display efforts should be
- A. contradictory.
 - B. coordinated.
 - C. separate.
 - D. competitive.
96. Which of the following situations is most likely to result in long-term, increased sales for a business:
- A. Constantly providing new choices for consumers
 - B. Raising the price of its current products
 - C. Lowering the price of its current products
 - D. Eliminating a slow-selling product line
97. Salespeople may risk losing a sale to a potential customer if they are unable to explain a business's _____ policies.
- A. purchasing
 - B. operating
 - C. employee
 - D. selling
98. With a high level of selling ethics, you would typically ask which of the following questions in an ethical situation:
- A. What would others advise?
 - B. What can I get away with?
 - C. What is required of me?
 - D. What is the right thing to do?
99. What form of technology are salespeople using that eliminates the need to carry a laptop and personal data assistant while making sales calls?
- A. Router
 - B. Pager
 - C. Micro kiosk
 - D. Smartphone
100. The Acquired Needs Theory implies that a person's buying behavior is affected by three primary needs, which include achievement, power, and
- A. advancement.
 - B. affiliation.
 - C. esteem.
 - D. enrichment.