Midterm Exam Prep: Sample Short Answer Questions

Note that these materials are sample questions intended to give you an idea of the style of questions to expect; this does not mean that these questions or topics will be on the exam, nor does it mean that these topics are the only ones on the exam. Further, just memorizing material is not enough – you need to be able to apply the concepts to various marketing situations and justify your answers in context.

Short Answer Tips

- Each short answer question is worth multiple marks. Generally, you can expect to earn 1 mark for each valid, complete point you make. For example, if a question is worth 2 marks, you need to make 2 distinct points for full marks.
- Point-form answers are acceptable, as long as your meaning is clear.
- Remember to answer all parts of each question.
- Make sure to justify your answers using the question scenario. For example, if the question includes a scenario about sweatshirts (like one of the sample questions below), your answer would need to be tailored to the marketing of sweatshirts.
- You may use the back side of any exam page to make notes as you write the exam. Notes will not be graded, but must be handed in at the end of the exam.
- If you run out of space for a short answer question, you may continue your answer on the back of the relevant page, but please make a note so we know to turn the page for the rest of your answer.
- You are responsible for learning course terms (e.g., “segmentation”). If you are unsure of a non-course term (e.g., “hoodie”, as in one of the sample questions below) in a scenario or question, you may consult a paper dictionary or you may raise your hand to ask for clarification.
- You must write clearly and legibly. If we can’t read it, you may get zero points for the affected marks.

Sample Question: Situation Analysis

Adapted from:
American Giant: For Breathing New Life into U.S. Apparel Manufacturing
By Andrew Rice, Fast Company
Published March 2015

American Giant is an e-commerce phenomenon: Its sweatshirts, t-shirts, and polo shirts, almost entirely sourced and produced in North and South Carolina and sold only via the web, are comfortable, flattering, durable, and popular with a fanatical fan base. CEO Bayard Winthrop says its business has tripled each year since its launch in 2012. The company’s products routinely sell out and can be back-ordered for weeks. And Slate spoke for many fans when it called American Giant’s primary product “the greatest hoodie ever made.”

Identify three macro strategies that companies use to develop a sustainable competitive advantage. For each strategy, explain what it is and how American Giant is or is not using it to build a sustainable competitive advantage. (3 marks)

Hints:

- Three marks means you’ll get up to one mark for each strategy (up to a total of three) you identify and explain.
- The four macro strategies are customer excellence, product excellence, operational excellence, and locational excellence. You would need to select three of these strategies, explain what each is, decide whether it is a strategy American Giant is using, and defend your answer.
For questions like this, there may be answers better supported by the article excerpt (e.g., American Giant is likely not pursuing operational excellence since its products are often out of stock). However, you can earn marks for any position (e.g., American Giant is or is not pursuing operational excellence) if you convincingly justify your answer using course concepts in a logical, understandable manner.

Sample Questions: Situation Analysis

The National Hockey League (NHL) is North America's premier professional ice hockey league composed of 30 separately owned teams based in Canada and the US. The league attracts highly skilled players from all over the world to play at this elite professional level. While the NHL follows the general rules of ice hockey, its rules differ slightly from those used in international games, such as the Olympics, which are organized by the International Ice Hockey Federation (IIHF).

The NHL is one of four major professional sports leagues in North America, along with Major League Baseball (MLB), the National Football League (NFL), and the National Basketball Association (NBA). In the US, hockey has the smallest total fan base of the four sports leagues, the least revenue from television, and the least sponsorship. In contrast, hockey is the most popular of these four major sports in Canada. In both countries, the NHL fan base is more affluent and well-educated than the fan base of the MLB, NFL, and NBA. In addition, NHL season ticket prices have traditionally been higher (given the number of games per season) than those of the other sports.

Like any business, the NHL is interested in protecting its market position and growing the league as a whole. In addition to managing the league’s day-to-day activities, the league’s President, his staff, and the 30 North American team owners are all charged with the longer-term responsibility of growing the sport and finding new revenue sources while maintaining current levels of fan and sponsor support.

Identify six environmental variables that the NHL should be aware of—realities that currently or subsequently will affect their business and which should be accounted for in strategic decision-making. For each variable, explain what it is and why it is relevant to the NHL's marketing planning. (6 marks)

Hints:
- This question is worth six marks, so make sure you provide six valid, distinct points.
- The words “environmental variables” (or environmental analysis or situation analysis) indicate that you need to analyze both the immediate environment and the macroenvironment. The immediate environment includes consumers, the company, corporate partners, and competitors; the macroenvironment can be analyzed using CDSTEP.
- You don’t need to know specifics about the NHL to answer this question; in fact, the exam will likely contain a number of questions about unfamiliar organizations. Just use the information provided in the question scenario, your knowledge of course concepts (in this case, situation analysis), and basic logic to answer the questions.
- Remember to use specific examples from the scenario in your answers. Do not simply outline the environmental elements generically; put them into the NHL context. For example, for competition, saying, “One environmental factor the NHL should be aware of is the growth of indirect competitors.” is too general and would not earn you full marks. In contrast, saying, “One environmental factor the NHL should be aware of is the growth of indirect competitors, such as the NBA and the NFL, because these national professional leagues compete for sports fans’ attention with similar products.” is specific to the scenario and could earn you full marks.
Sample Question: Marketing Research
Suppose we want to market a new dessert in Calgary, AB, and need to know what dessert preferences Calgarians have. We decide to purchase syndicated data tracking purchasing trends in the desserts category over the last two years. Is this primary or secondary data collection, and why? (1 mark) Identify two different specific types of primary research that could be used to solve the research problem. For each type, explain what it is and one limitation that we should keep in mind when considering which type of research. (2 marks)

Hints:
- You need to know the differences between primary and secondary data to answer this question. [Answer: Purchasing secondary data is secondary research because it is existing data that has already been collected, and not collecting original data for a specific purpose (which would be primary research)]. For the full mark, you need to both state the correct answer and justify it.
- You need to know a few types of primary research (e.g., focus groups, in-depth interviews, observation, experiments, etc.) and the pros/cons or appropriate uses of each. For full marks, you need to briefly describe two examples of primary research and two limitations (one for each example).

Sample Question: Consumer Behaviour
Identify a major financial purchase you recently made. Think about the different types of factors that influence consumer behaviour. Identify four variables that influenced your purchase; for each variable, explain what it is and how it influenced your purchase. (4 marks)

Hints:
- This question is almost completely open. You simply need to imagine your purchase and go from there. Remember to provide context so that my markers and I can understand your logic; in other words, write a couple of points about the purchase to set the stage. Questions like this are graded based on the logic of your answers and whether you reference the right concepts.
- You need to know the different variables within the four factors that influence consumer behaviour. For example, within the category of psychological factors we discussed motives, perception, attitudes, learning, and lifestyle. The categories (i.e., psychological, social, situational, and marketing strategy-related) are too broad, what I’m looking for in this question are the variables within these categories.
- Again, use the number of marks assigned to the question as a guide for how much detail or how many key points you are expected to make. In this case, there are four categories of influences on consumer behaviour so it would be logical to describe one influence from each category for your total of four marks. (And selecting four variables from a single category would likely not merit full marks.)
- Pay attention to the details in the question, and ensure you answer all parts. For example, make sure your answer refers to each of the phases “before, during, and after your purchase”. Also, the question asks you to explain the variables and their influence; don’t simply list “reference group” as a variable, rather, describe a specific example of one of your reference groups and how they influenced this particular purchase.
Sample Question: Segmentation, Targeting, and Positioning

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Identify two market segments you think American Giant should target with their hoodie product; for each segment, describe their profile using market segmentation variables. (2 marks) Write a positioning statement for American Giant that is targeted to one of the segments you just identified. (1 mark) Other than competition, what factors might cause American Giant to reposition its product? (2 marks)

Hints:
- For the first question:
  o You need to know the different segmentation variables. Remember that there are four segmentation bases (i.e., geographic, demographic, psychographic, and behavioural), each of which has a number of component variables. For example, within behavioural, we discussed benefits, usage rate, loyalty, and occasion.
  o For full marks, you should provide a nickname for each segment and then describe it using two or three variables. Make sure to choose segmentation variables that would suit American Giant.
- For the second question:
  o You need to know how to write a positioning statement that will make American Giant and/or their hoodie product seem relevant, unique, and desirable to the target segment. The positioning statement must include the company/product name, the target segment, the frame of reference, the point of parity, and the point of difference. An example of a successful positioning statement might be: For college students, American Giant hoodies are comfortable and, unlike other sweatshirts, flattering.
  o Make sure your point of parity and point of difference are clear. In the example above, the phrase “unlike other sweatshirts” is used to make it clear that “flattering” is the point of difference, whereas “comfortable” is the point of parity.
- For the third question:
  o Repositioning is done to change the position of a product in the target market’s mind for a number of reasons: Something in the environment (e.g., either immediate factors or CDSTEP factors) has changed (competition is the most common catalyst); the target market has changed; or something internal (e.g., organizational mission, objectives, strengths or weaknesses, etc.) has changed. For two marks, you should describe two factors.
  o Remember: Always give an example of what you mean, don’t just regurgitate the theory from the text or my lectures.