



MBA Foundation



MARKETING (BUSx906) EXAM PREPARATION GUIDE

www.excelsior.edu

Introduction

The MBA Foundation Examinations measure knowledge and understanding of material covered in Excelsior College's MBA program's five foundational courses, namely—**Quantitative Analysis** (BUS 503), **Finance** (BUS 505), **Marketing** (BUS 506), **Organizational Behavior** (BUS 553), and **Ethics** (BUS 523). Students in the MBA program can choose to test out of one or more of these courses by receiving a passing grade (70%) for each exam. If a student passes the exam, the corresponding course requirement is waived; however, no credits will be awarded.

Marketing (BUS 506) is a basic marketing course required in the Excelsior MBA program. The assessment is designed to measure the basic knowledge and understanding achieved by working adults in the area of Marketing. Students who have successfully completed an upper-level undergraduate course in Marketing with a grade of "B" or better in the last ten years will not need to take the exam.

The intent of this guide is to provide students who are planning to take the foundation exam with information on the topics and the reference (textbook) for the exam. In addition, the guide includes some sample questions for students to review.

Important information to help you prepare for this MBA Foundation® Examination

General Description of the Examination

The MBA Marketing Exam is designed to assess your understanding of marketing management and strategy. The marketing management process is essential at all levels of the organization. Critical to this exam are the ethical, legal, social, and environmental issues inherent in business.

Learning Outcomes:

The exam objectives support the achievement of the following program learning outcomes:

1. Discuss what the necessary tasks are for successful marketing management.
2. Know how companies can cultivate strong customer relationships.
3. Understand how marketers analyze consumer decision-making.
4. Demonstrate the important decisions in developing a branding strategy.
5. Know how brands are differentiated.
6. Describe how to build and manage product mix and product lines.
7. Know the components of an integrated marketing communications program.
8. Discuss the challenges a company faces in developing new products.

Uses for the Examination

Students who achieve a passing grade on this exam waive the course requirement of BUS 506 Marketing.

Examination Length and Scoring

- The exam consists of 100 four-option multiple choice questions.
- The time limit of the exam is two hours.
- This is a non-credit bearing exam.
- Passing grade cut point is 70% percent.
- Students will be awarded the grade of “Pass” or “Fail.”
- Students will only be able to take this specific exam once.

Exam Construction and Validity

Excelsior College assessment experts subject each question to rigorous tests of sensitivity and reliability. In addition, every effort is made to include questions that assess the most common and important topics and skills within the College’s current course. A committee of teaching faculty and practicing professionals determine the learning outcomes to be tested. Working with the School of Business and Technology, the Excelsior College Assessment Unit staff oversees the technical aspects of test construction in accordance with current professional standards. To promote fairness in testing, we take special care to ensure that the language used in the exams and related materials is consistent, professional, and user friendly. Editorial staff perform systematic quantitative and qualitative reviews that address accuracy, clarity, and compliance with conventions of bias-free language usage.

(Continued on next page)

Exam Administration

The exam is administered at Pearson VUE testing centers worldwide. All questions regarding the administration of this exam should be directed to the Test Administration Office at Excelsior College. Students must receive prior approval from their advisors before they can register to take the exam (www.excelsior.edu/messagecenter).

Computer-Delivered Testing

The exam will be delivered by computer at the Pearson VUE Testing Center. You will enter your answers on the computer using either the keyboard or the mouse. The system used for our computer-delivered testing is designed to be as user-friendly as possible, even for those with little or no computer experience.

We strongly encourage you to use the online tutorial prior to taking your exam at Pearson Professional Centers. If you wish to access the tutorial, go to www.excelsior.edu/exams and click on the ECE Virtual Tour. A tutorial will not be available at the test center.

Suggestions for Test Preparation

At the core of each exam preparation guide is a detailed content outline that begins with a content/percent chart showing the relative importance of each major content area to be assessed. These weightings may be useful to you as you are preparing the review of this MBA Foundation Exam. You may want to review the content areas in the outline and the corresponding sections in the required textbook from the course. It is not required that you purchase a copy of the textbook. However, exam questions are based on the materials taught in the course and included in the textbook.

For each exam, five sample questions are provided to illustrate those typically found on the particular exam. The sample questions are not intended to be a practice test, but they may serve as models if you wish to create your own test questions for review purposes.

In the last pages of this guide, you will find rationales for the multiple-choice sample questions. The key (correct answer) is indicated in **bold**. The rationales explain why the key is the correct

answer and what is wrong with the other answer choices. In addition, each question is referenced to the content outline. Please note that if you chose one of the wrong answers, you should return to its section of the content outline for additional review.

On the day of your exam, do yourself some favors:

- Arrive at the test site rested and prepared to concentrate for an extended period.
- Be sure to allow sufficient time to travel, park, and locate the test center.
- Practice healthy eating and stress control in the days before your exam.
- Dress comfortably: the computer will not mind that you are wearing your favorite relaxation outfit.
- Be prepared for possible variations in temperature at the test center due to changes in the weather or energy conservation measures.
- Bring your IDs and ATT letter, but otherwise, do not weigh yourself down with belongings that will have to be kept in a locker during the test.

Academic Honesty Nondisclosure Statement

All test takers must agree to abide by the terms of the Excelsior College Academic Honesty Policy before taking an examination. The agreement will be presented on screen before the start of your exam. Once you accept the terms of the agreement, you will be able to proceed with your exam. If you choose not to accept the terms of this agreement, your exam will be terminated. You will not be eligible for a refund. For more information, review the *Student Policy Handbook* at www.excelsior.edu/studentpolicyhandbook.

Student behavior will continue to be monitored post administration and electronic measures are used to monitor the security of test items and scan for illegal use of intellectual property. This monitoring includes surveillance of Internet chat rooms, Web sites, and other public forums.

Content Outline

The major content areas on the MBA Marketing examination and the percent of the examination devoted to each content area are listed below.

Content Area	Percent of the Examination
I. Understanding Market Management	6%
II. Capturing Market Insights	8%
III. Connecting with Customers	19%
IV. Building Strong Brands	15%
V. Shaping the Marketing Offerings	14%
VI. Delivering Value	10%
VII. Communicating Value	14%
VIII. Creating Successful Long-Term Growth	14%
Total:	100%

I. Understanding Market Management (6%)

- A. Defining Marketing for the 21st Century
- B. Developing Marketing Strategy and Plans

II. Capturing Market Insights (8%)

- A. Gathering Information and Scanning the Environment
- B. Conducting Market Research and Forecasting Demand

(Content outline continued on next page)

III. Connecting with Customers (19%)

- A. Creating Customer Value, Satisfaction, and Loyalty
- B. Analyzing Consumer Markets
- C. Analyzing Business Markets
- D. Identify Market Segments and Target

IV. Build Strong Brands (15%)

- A. Creating Brand Equity
- B. Crafting the Brand Positioning
- C. Dealing with Competition

V. Shaping the Market Offerings (14%)

- A. Setting Product Strategy
- B. Designing and Managing Services
- C. Developing Pricing Strategies and Programs

VI. Delivering Value (10%)

- A. Designing and Managing Integrated Marketing
- B. Managing Retailing, Wholesaling, and Logistics

VII. Communicating Value (14%)

- A. Designing and Managing Integrated Marketing Communications
- B. Managing Mass Communications: Advertising, Sales Promotions, Events and Experiences, and Public Relations
- C. Managing Personal Communications: Direct and Interactive Marketing, Word of Mouth, and Personal Selling

VIII. Creating Successful Long-Term Growth (14%)

- A. Introducing New Market Offerings
- B. Tapping into Global Markets
- C. Managing a Holistic Marketing Organization

Sample Questions

The questions that follow illustrate those typically found on this exam. Answer rationales can be found on page 7 of this guide.

1. An individual would like to own an expensive luxury automobile, but is unable to afford one at this time. This person is part of what type of market for this product?
 - A. available
 - B. penetrated
 - C. potential
 - D. target
2. Many banks and phone companies now charge fees for once-free services to ensure minimum customer revenue levels. This is an example of which strategy?
 - A. reducing the rate of customer defection
 - B. making low-profit customers more profitable
 - C. increasing the longevity of the customer relationship
 - D. focusing disproportionate effort on high-value customers
3. In the purchasing decision process, which group requests that something be purchased?
 - A. approvers
 - B. deciders
 - C. users
 - D. initiators
4. During which stage of the product life cycle would a marketing manager pursue the objective of maximizing market share?
 - A. decline
 - B. growth
 - C. introduction
 - D. maturity
5. What term describes the appointment of teams to work closely with consumers to add value to a company's operation?
 - A. focusing
 - B. empowering
 - C. benchmarking
 - D. customer partnering

Learning Resources for this Exam

The textbook listed below is recommended by Excelsior College and is the textbook used for the graduate course in Marketing (BUS 506). For information on ordering from the [Excelsior College Bookstore](#), please see **page 8** in this guide. You may also find resource materials in other college libraries or bookstores. Public libraries may also have the textbook or may be able to obtain it through an interlibrary loan program.

Recommended Textbook



Marketing Management	
Author	Kotler, Philip and Keller, Kevin Lane
Edition	14 th 11
ISBN-10	0-13-210292-7
ISBN-13	978-0-13-210292-6
Publisher	Prentice Hall, Inc.

Order the resources you need today!

The Excelsior College Bookstore is available by phone, fax, email, [Web site](#), and mail.

See page 8 for ordering information.

Rationales for Sample Questions

1. (IIB) The size of a market depends upon the number of buyers who exist for a particular product or service. There are many ways to break down a market:

A. The available market is the group of consumers who have interest, income, and access to a particular offer.

B. The penetrated market is the group of consumers who actually buy the offer.

***C. The potential market includes the group of consumers who express a sufficient level of interest in an offer. However, consumer interest is not enough to define a market unless they also have sufficient income and access to the product or offer.**

D. The target market is the part of the qualified available market that a company decides to pursue.

2. (IIIA) Productive companies can improve the value of their customer base by using the following strategies:

A. Reducing the rate of customer defection involves selecting and training employees to be knowledgeable, courteous, and helpful to customers in an effort to retain their loyalty.

***B. Many banks, phone companies, and other businesses are now charging fees for once-free services. They are also encouraging unprofitable customers to buy more, forego certain services, or pay higher fees.**

C. Increasing the longevity of the customer relationship is based on the premise that the more involved a customer is with a company, the more likely she or he is to stick around.

D. Focusing disproportionate effort on high-value customers involves treating them in a special way such as sending birthday cards, small gifts, or free tickets to events.

3. (IIIC)

A. Approvers are people who authorize the proposed actions of deciders or buyers.

B. Deciders are people who choose product requirements or suppliers.

C. Users are people who use the product or service. Users typically initiate the buying proposal.

***D. Initiators are people within an organization who request that something be purchased.**

4. (IVB)

A. The decline stage of the product life cycle is the period during which sales show a downward shift and declining profits. The marketing objective is to reduce expenditures.

***B. During the growth cycle, there is a period of rapid market acceptance of the product and substantial profit improvement. The marketing objective is to maximize the market share.**

C. The introduction cycle is characterized by a period of slow sales growth and no profit margin. The marketing objective is to create product awareness.

D. The maturity stage is characterized by a slowdown in sales growth and profits that stabilize or decline because of increased competition. The marketing objective is to maximize profit while holding onto the market share.

5. (VIII C)

A. Focusing involves identifying the most profitable businesses and customers and concentrating on them.

B. Empowering involves encouraging personnel to produce more ideas and take more initiative.

C. Benchmarking involves studying best practice companies to improve performance.

***D. Customer partnering is working more closely with customers to add value to business operations.**

*correct answer

Other Important Information and Resources

Registration Information

Register online—Go to www.excelsior.edu/examregistration. Follow the simple instructions to register using your Visa, MasterCard, American Express, or Discover Card.

Register by phone—Call toll free **888-72EXAMS (888-723-9267)**.

Register by mail—Mail registration is not available for the MBA exams.

Excelsior College Bookstore

The Excelsior College Bookstore is staffed Monday through Thursday from 7 AM to 9 PM, Friday from 7 AM to 6 PM, Saturday from 8 AM to 5 PM, and Sunday from 12:00 PM to 4 PM Eastern time.

To order by phone, call 800-325-3252

To order by fax, call 800-325-4147

To order materials online, anytime, visit the bookstore at www.excelsior.edu/bookstore.

Pearson VUE

Web site: www.pearsonvue.com/excelsior

Call center: 888-926-9488

For More Information

For more information regarding **Excelsior College Examinations**, access the downloadable **Excelsior College® Examinations Registration and Information: A User's Guide** at www.excelsior.edu/exams.

Frequently Asked Questions (FAQ)

I took some of these courses as an undergraduate student. Do I need to take these exams?

Answer: No. In general, you do not have to take the graduate foundation courses if you have taken and passed upper-level, undergraduate equivalent courses with a grade of "B" or better within the last ten years. Please contact your advisor (www.excelsior.edu/messagecenter) and see if the corresponding foundation course can be waived.

How do I sign up for the exams?

Answer: You can register for the exams either online or by phone. However, you must obtain an approval by your advisor prior to the registration.

What is the cost of the exam? Does the exam qualify for financial aid?

Answer: The cost of the exam is \$300. The exam does not qualify for financial aid.

Do I get any course credits if I pass the exam?

Answer: No. You will not receive any credits. If you pass the exam, however, you will not be required to take the corresponding graduate foundation course.

I did not pass the exam. Can I take it over again?

Answer: No. You only have one chance to pass the exam. However, you are allowed to take another foundation exam. In general, you are allowed only one attempt for each foundation exam.

Am I required to purchase the textbook for the exam?

Answer: No. You are not required to purchase the textbook. However, it is a good idea to obtain a copy through a purchase or a library loan. This will allow you to go through the content and materials as a review for the exam.

What do I do if I am not able to take the exam at the scheduled time?

Answer: You must reschedule your exam by **7:00 pm Central time** of the business day before the scheduled appointment time, or at least 24 hours before the scheduled time, whichever comes first.

Can I share the test questions with others?

Answer: Absolutely not! This would violate the academic honesty policy of the College. Excelsior College actively monitors the Web and other public forums to make sure the integrity of the exam is not compromised. Any violation to this policy will result in the disqualification of your exam results and/or further disciplinary and legal actions.

Are the exams available internationally?

Answer: Yes. You can take the exam at Pearson VUE authorized test centers worldwide. There is an additional \$10 charge.

Notes

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