TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

1) The two most cited reasons for abandoning a shopping cart and not making the purchase are shipping charges and security concerns. 1) 

2) Netflix implemented intelligent agents in its movie recommendation service called Cinematch to help customers select movies they would like to watch and to better manage its inventory. 2) 

3) The purpose of a consumer behavior model is to help firms understand how a consumer makes a purchasing decision to be able to influence that decision through advertising, special promotions, or other marketing method. 3) 

4) According to Internet statistics, 67 percent of consumers abandoned their shopping carts because of the lack of satisfactory product information. 4) 

5) Segmentation refers to the matching of services, products, and advertising content to individuals and their preferences. 5) 

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

6) The two key factors limiting the use of personalization to more precisely target marketing efforts to individual customers are: 6) 
A) communication costs and filtering costs. 
B) lack of customer loyalty and service customization costs. 
C) privacy and trust issues. 
D) matching profiles with product offerings and delivering those offerings. 

7) What has been the impact of the introduction of EC on customer loyalty in general? 7) 
A) It is not known whether loyalty has increased or decreased. 
B) Loyalty has decreased because of customers' ability to shop, compare, and shift vendors. 
C) There has been little change in loyalty because the impacts have cancelled each other out. 
D) Loyalty has increased because of targeted relationship marketing. 

8) According to Inmon, B2C clickstream data can reveal information each of the following EXCEPT: 8) 
A) Which ads and promotions were effective and which were not. 
B) Whether there are too many products for the customer to wade through. 
C) What goods the customer examined but did not purchase. 
D) What goods the customer wanted to but could not find. 

9) The term ________ refers to the number of times users call up a page that has a banner on it during a specific period. 9) 
A) unique visit B) click through 
C) ad view D) conversion rate 

10) All of the following are correct about market research methods EXCEPT: 10) 
A) Direct mail marketing methods are usually cost-effective. 
B) Market segmentation is done with the aid of tools such as data modeling and data warehousing. 
C) It is important first to understand how groups of consumers are classified or segmented. 
D) Markets can be segmented to increase the percentage of responses and to formulate effective marketing strategies that appeal to specific consumer groups. 

11) Pricing, technical support, and logistics support are several of the ________ that can be controlled by EC vendors and sellers 11) 
A) dependent variables B) independent variables 
C) decision variables D) intervening variables 

12) ________ is an advertising strategy that uses word-of-mouth marketing in which customers promote a product or service by telling others about it. 12) 
A) Affiliate marketing B) Ad customizing 
C) Viral marketing D) Ads as a commodity
13) Issues related to trust in EC include all of the following EXCEPT: 13) ______
   A) Trust is particularly important in global EC transactions due to the difficulty of taking legal action in cases of a dispute or fraud.
   B) When parties trust each other, they have confidence that transaction partners will keep their promises. However, both parties in the transaction assume some risk.
   C) If people do not trust the security of the EC infrastructure, they will not feel comfortable about using credit cards to make EC purchases.
   D) As a result of trust-transference programs through portal affiliation, seal of approval programs, online shopping communities, and customer endorsements, customers are fully confident in online purchasing transactions.

14) Banner advertising on Web sites helps trigger a realization that there is a gap between reality and a desired state, which occurs in the ______ stage of the EC purchase decision-making process. 14) ______
   A) need identification
   B) information search
   C) purchase, payment, and delivery
   D) evaluation, negotiation, and selection

15) Web analytics and mining tools and services: 15) ______
   A) are used to redesign Web sites quickly and on the fly.
   B) simply report which pages were clicked and how long a visitor stayed there.
   C) provide most companies with knowledge about how to use clickstream data effectively.
   D) offer advanced functions that help marketers decide which products to promote, and merchandisers achieve a better understanding of the nature of demand.

16) A(n) ______ is an HTML coding statement that describes the content of a Web page and is used by search engines to index the site's content so that it can be found. 16) ______
   A) advertorial
   B) associated ad display
   C) domainer
   D) meta-tag

17) Personalization and user profiling strategies include each of the following EXCEPT: 17) ______
   A) Using questionnaires to collect information directly from the user.
   B) Segmenting the market based on demographics.
   C) Placing cookies on a user's hard drive to collect information with or without the user's knowledge.
   D) Building from previous purchases or purchase patterns.

18) A(n) ______ is a type of pop-up ad that appears after a user clicks a link and remains while content is loading to capture the user's attention for a short time, either as a promotion or a lead-in to the site's homepage or to advertise a product or a service. 18) ______
   A) keyword banner
   B) banner exchange
   C) CPM
   D) interstitial

19) Limitations of online research methods are all of the following EXCEPT: 19) ______
   A) The ethics and legality of Web tracking.
   B) E-mail surveys have the lowest response rate.
   C) Focus group responses lose eye contact and body language.
   D) Loss of respondents because of equipment problems.

20) Once a company knows a consumer's preferences, the company can predict, without asking the consumer directly, what other products or services that consumer might enjoy through ______. 20) ______
   A) spyware
   B) personalization
   C) active web bugs
   D) collaborative filtering