

## Building the Marketing Plan

### Quiz

1. What is product positioning?
  - a. Arranging for a product to occupy a clear, distinctive, and desirable place in the minds of target consumers relative to competing products.
  - b. A group of consumers who respond in a similar way to a given set of marketing stimuli.
  - c. A component of a SWOT analysis
  - d. The process of evaluating each market segments attractiveness and selecting one or more segments to enter.
  
2. The value chain for distribution shows a direct marketing farmer deals directly with consumers. But some farmers will need to use brokers and agents to sell their product. Each segment of the value chain takes a profit off your product. Which of the following statements is NOT true?
  - a. Retailer takes a 25% markup over cost
  - b. A distributor buys at 35% of retail
  - c. If a product retails at \$1.00 and it is sold through a distributor, the product must be profitably manufactured, packaged, marketed and shipped for \$0.35.
  - d. These are all true statements
  
3. Creating a business and marketing plan, and committing it to paper
  - a. Helps you think everything through
  - b. Provides something you can provide to potential funders to help them understand your business
  - c. Both a and b
  - d. Having it in your head is enough, writing it down is a waste of time.
  
4. The Executive summary
  - a. Summarizes the plan for readers
  - b. Is written first
  - c. Is written last, but placed first in the plan
  - d. A and C
  
5. As a general rule of thumb, an investor or funder looks for a positive debt ratio, 1.0:1.2. This means for every \$1000 you borrow, you should have how much in liquid assets?
  - a. \$100 - \$120
  - b. \$2000 - \$3000
  - c. \$1000 - \$1200
  - d. \$5000

6. A standard formula for a marketing budget for an ongoing business is:
- a. 4% of net profits
  - b. 4% of gross sales
  - c. \$15,000
  - d. Marketing is an unnecessary expense
7. Being a direct marketer takes certain personality traits. Which of the following would define someone who has a propensity for direct marketing?
- a. I work well in a team
  - b. I have integrity
  - c. I have no problem lying
  - d. I shouldn't be working so hard
  - e. I am open to new ideas
  - f. I know it all
8. How often should my business plan be revised?
- a. Once it's done, it only needs updating when looking for new funding
  - b. It should be an ongoing process
  - c. Annually
  - d. Once it's done, it does not require updating, just common sense