



**EAST AFRICAN SCHOOL OF AVIATION
FINAL EXAMINATION.**

ACM 03

SUBJECT: TARGET GROUPS

Duration: Two HRS

DATE

TIME: 0900-1100hrs

INSTRUCTIONS TO ALL CANDIDATES

1. Answer all questions.

- 1) The airfreight business is concentrated around the transportation of cargo which usually exhibits all but one of the following characteristics.
 - A) High demand
 - B) High Value
 - C) Low weight
 - D) Low Value
- 2) Air freight is predominantly used for _____.
 - A) Routine perishables
 - B) Emergency shipments
 - C) Routine non-perishables
 - D) Live animals
- 3) From the shipper's point of view, no amount of persuasion will change the fact that the traditional airport-to-airport product did not meet his _____ and _____.
 - A) Pick-up and Delivery
 - B) CIF and FOB
 - C) Documentation and Customs clearance
 - D) Both A and C
- 4) _____ is breaking down the market into groups, identifying the most interesting market segments.
 - A) Consolidation
 - B) Target Marketing
 - C) Segmentation
 - D) Both B and C
- 5) Airfreight carries _____ of the world trade tonnage although in terms of value it carries _____.
 - A) 13%, 5-8%
 - B) 14%, 5-6%
 - C) 15%, 5-6%
 - D) 14%, 5-8%
- 6) _____ refers to identifying groups or segments.
 - A) Target marketing
 - B) Market segmentation
 - C) Market positioning
 - D) Both A and B
- 7) _____ is evaluating each segment and selecting those with the greatest potential to be profitable for the company.
 - A) Target marketing
 - B) Market segmentation
 - C) Market positioning
 - D) Both A and B
- 8) A _____ refers to a group of customers who have sufficient characteristics in common to form a suitable basis for a product/price/distribution/promotion combination.
 - A) Group
 - B) Market Segment
 - C) Market share
 - D) Both B and C
- 9) To identify target groups, companies must, first of all, identify those areas where _____ may be found.
 - A) Market segmentation
 - B) Target marketing
 - C) Airfreight potential
 - D) Both A and B
- 10) All but one of the following are commodities for which there is a proven airfreight market.
 - A) Valuables
 - B) Computer spares
 - C) Newspapers
 - D) Both B and C
- 11) Which one of the following is one of the following is not among the important variables of airfreight shipments?
 - A) Individual piece (weight and dimensions)
 - B) Total shipment (weight and dimensions)
 - C) Transit points, regulations
 - D) Destination point, customs

- 12) Which one of the following is among the factors that may place a limitation on the marketing possibilities that can be used to target certain segments?
- A) Dangerous goods
 - B) Prohibited goods
 - C) Market shortages
 - D) Political instability
- 13) Which one of the following is not among the main types of segment companies, to use airfreight?
- A) Specialty shops
 - B) Publishers
 - C) Ship-owners
 - D) Mining companies
- 14) One of the following is not among the target segmentation companies.
- A) Emergency tariff
 - B) Routine perishable
 - C) Routine nonperishable
 - D) Routine Valuable
- 15) An _____ situation occurs when it is necessary to move goods in the fastest time possible, using the fastest mode of transport.
- A) Accident
 - B) Urgency
 - C) Emergency
 - D) Both B and C
- 16) One of the following is not among the various types of emergencies.
- A) Operating
 - B) Business
 - C) Marketing
 - D) Both A and D
- 17) Meeting the needs of the customers in the _____ segment may be a very demanding and costly task.
- A) Emergency
 - B) Routine perishable
 - C) Routine nonperishable
 - D) Routine Valuable
- 18) A _____ emergency situation can occur when a supplier is in danger of missing a deadline due to the absence of a given commodity.
- A) Operating
 - B) Business
 - C) Marketing
 - D) Both A and B
- 19) A _____ emergency occurs when company urgently requires to rectify an operational problem.
- A) Operating
 - B) Business
 - C) Marketing
 - D) Both A and B
- 20) One of the following is not among the two types of perishability that exist in international distribution.
- A) Economic
 - B) Physical
 - C) Social
 - D) Both A and B
- 21) Cargo is considered _____ perishable, when its saleable life span is short.
- A) Physically
 - B) Socially
 - C) Both A and B
 - D) Economically
- 22) If the direct mail campaign is to be successful, it must contain all but one of the following elements.
- A) Name of recipient
 - B) Description of product advantages
 - C) Actual format of the direct mail material
 - D) Name of the sender

- 23) _____ is any interactive marketing activity that creates direct contact between the seller and buyer versus the use of mass media.
- A) Mass communication
 - B) Direct Marketing
 - C) Advertising
 - D) Sales promotion
- 24) This is a form of marketing that uses, telephone, telefax and computer programs using the email as the main format.
- A) Direct mail
 - B) Direct calls
 - C) Direct email
 - D) Both B and C
- 25) All but one of the following is not among the target marketing information sources.
- A) SITC
 - B) CCCN
 - C) HS
 - D) HT
- 26) In which of the three major target groups does the shipper have the choice of using the cheaper alternative of surface transport?
- A) Emergency traffic
 - B) Routine perishable traffic
 - C) Market targeting
 - D) Routine non-perishable
- 27) The effective use of airfreight is limited to?
- A) Expensive consumer goods
 - B) Perishable goods
 - C) Goods whose value is high relative to their weight.
 - D) Emergency shipments.
- 28) The process of identifying target groups is called_____.
- A) Market positioning
 - B) Market functioning.
 - C) Market segmentation
 - D) Market targeting
- 29) _____ is a group of customers who have characteristics in common to form a suitable basis for production.
- A) Market group.
 - B) Market segment.
 - C) Prospect customers
 - D) Market portion.
- 30) Which of the following is not among the three main stages of target marketing?
- A) Market segmentation.
 - B) Market positioning.
 - C) Market confirmation.
 - D) Market positioning.
- 31) Airfreight is predominantly used for which type of cargo?
- A) Perishable shipments.
 - B) Emergency shipments.
 - C) Bulky shipments.
 - D) Dangerous goods.
- 32) Which of the following is among the factors that may place limitation on the airfreight market?
- A) High value per kilo shipments.
 - B) Small shipments.
 - C) Urgent shipments and spares.
 - D) Prohibited goods.
- 33) What emergency occurs when a supplier is in danger of missing a deadline due to the absence of a given commodity?
- A) Marketing emergency
 - B) Operating emergency
 - C) Personal emergency
 - D) Emergency traffic
- 34) What are the two types of perishability in international distribution?
- A) Physical and economical perishability.

- B) Economical and financial perishability.
 - C) Physical and operating perishability.
 - D) Temporary and economical perishability.
- 35) _____ customers exist because of the company's use of direct marketing.
- A) Left pyramid
 - B) Left and right pyramid
 - C) both A and D
 - D) Right pyramid.
- 36) Which form of marketing makes use of the telephone, telefax and computer programs?
- A) Direct mails.
 - B) Direct calls.
 - C) Direct marketing.
 - D) Direct consultation.
- 37) Sources of information on target groups for airfreight include all but one of the following.
- A) Statistics.
 - B) Banks.
 - C) Newspapers.
 - D) Distributors.
- 38) At what stage of readiness to buy is a customer in the right side of the market pyramid?
- A) Some interest
 - B) No interest
 - C) Deciding to buy
 - D) Both A and C
- 39) Use of airfreight can offer substantial saving in all but one of the following.
- A) Uplift cost.
 - B) Interest cost.
 - C) Marking cost.
 - D) Insurance cost.
- 40) What does RSS stand for?
- A) Real site summary
 - B) Really simple syndication.
 - C) Real simple syndication
 - D) Really slow and simple.
- 41) _____ is a system of categorizing imports to determine the appropriate regulations to apply.
- A) Standard international trade classification
 - B) Harmonized commodity description and coding system.
 - C) Association of European airlines.
 - D) Customs cooperation council nomenclature
- 42) The airfreight business is concentrated around the transportation of cargo which usually exhibits all of the following characteristics except.
- A) High demand
 - B) High weight
 - C) Low value
 - D) Low weight.
- 43) The process of identifying target groups is called _____
- A) Market segmentation
 - B) Market targeting
 - C) Market evaluation
 - D) Market positioning
- 44) The company can save time and money by employing a direct mail company to compile its target audience.
- A) False.
 - B) True.
- 45) The left pyramid represents a situation whereby the sales force only visits prospective buyers who are at the point of deciding to buy.
- A) True.
 - B) False.
- 46) Which of the following major target groups require air transportation on a seasonal basis?
- A) Routine perishable traffic
 - B) Emergency traffic.

- C) Routine non-perishable traffic.
D) Dangerous goods.
- 47) _____ is a term that applies to a list either of names or to the system of principles related to assigning a phrase to a particular object.
A) Nomenclature.
B) Customs council nomenclature.
C) Council nomenclature.
D) Both A and B.
- 48) Which of the following is among the factors limiting the growth of the airfreight?
A) It is the most expensive means of transportation.
B) Increased competition from other transport modes.
C) Unqualified customs officers.
D) Both A and B.
- 49) Which one of the following is not among the advantages of using airfreight over other transport modes?
A) Packaging cost.
B) Cash flow.
C) Taxes reduction.
D) Insurance cost.
- 50) One among the following is not among the prospects of growth. Which one is it?
A) Emergency segment.
B) Routine perishable segment.
C) Dangerous goods.
D) Routine non-perishable.
- 51) The following organizations and publications provide export and trade statistics except one.
A) Bulletins.
B) Chamber of commerce
C) Research bureaus.
D) All of the above.
- 52) The cargo marketing department must ensure that customers are fully aware of its company's cargo services over:
A) The services offered by alternative modes of transport.
B) The type of cargo your company handles.
C) The services offered by its competitors.
D) Both A and C
- 53) Evaluating each segment and selecting those with the greatest potential to be profitable for the company is well known as_____.
A) Market targeting.
B) Market implementation.
C) Market segmentation.
D) Market positioning.
- 54) _____ handles all payments and have extensive knowledge of companies and their trading patterns.
A) Embassies.
B) Banks.
C) Chambers of commerce.
D) Insurance companies.
- 55) _____ involves identifying target groups or segments.
A) Market targeting
B) Market implementation.
C) Market segmentation.
D) Market positioning.
- 56) When does an operating emergency occur?
A) When a supplier is in danger of missing a deadline.
B) When a company urgently needs to rectify an operational problem.
C) When a company loses a client
D) When a company does not have a deadline.
- 57) The sales representative visits customers whose interest in the airfreight product can range from no interest to the point of making the decision to buy. Which pyramid represents the above?
A) Left pyramid.
B) Right pyramid.
C) Both A and B.
D) None of the above

- 58) All of the following are characteristics of a direct mail except one.
- A) Correct name and title of recipient.
 - B) Any language of your choice can be used when composing the emails.
 - C) Actual format of the direct mail material.
 - D) The creativity employed in writing and designing the promotional material.
- 59) _____ is an interactive marketing activity that creates direct contact between the seller and the buyer.
- A) Direct marketing
 - B) Online marketing
 - C) Marketing mix
 - D) Marketing.
- 60) _____ is an internationally standardized system of names and numbers for classifying traded products.
- A) Customs cooperation council nomenclature.
 - B) The Harmonized commodity description and coding system.
 - C) Standard international trade classification.
 - D) Local trade.
- 61) An operating emergency occurs when a company needs to rectify an operational problem.
- A) True
 - B) False
- 62) Market targeting involves the effective communication of benefits of using air cargo transportation to those customers identified as key contributors to the market development.
- A. True
 - B. False
- 63) Emergency traffic is prone to strong one-way directional flows.
- A) False
 - B) True
- 64) Packaging costs are generally lower when airfreight is used because _____.
- A) Less packaging is required.
 - B) Using airfreight is cheaper.
 - C) There are several packaging options.
 - D) None of the above.
- 65) One of the following is among the advantages of using direct mail in direct marketing.
- A) inexpensive
 - B) less time consuming
 - C) all of the above
 - D) Most effective in reaching a wide variety of people.
- 66) It is advisable to target the emergency freight segment only when one is prepared to make full commitment to it.
- A. True.
 - B. False.
- 67) What does SITC stand for?
- A) Standard international trade cooperation.
 - B) Standard international textile classification.
 - C) Standard international tours company.
 - D) Standard international trade classification.
- 68) Most chambers of commerce hold reliable statistics on exports and imports.
- A) False.
 - B) True.
- 69) The CCCN is a system of categorizing that deals with imports cargo only.
- A) False.
 - B) True.
- 70) The cargo department's marketing efforts can be concentrated in which segment?
- A) Market targeting.
 - B) Market positioning.
 - C) Market segmentation.
- 71) Removal of urgent document shipments from the market is among the advantages of using airfreight.
- A) True.
 - B) False.
- 72) The Harmonized commodity description coding system is maintained by the World Customs Organization.
- A) True.
 - B) False.

- 73) In order to employ the sales force or the electronic surveying tools effectively the market must first be organized to form what is known as a market _____.
- A) Pie chart
 - B) Triangle
 - C) Pyramid
 - D) Circle
- 74) An _____ emergency occurs when a company urgently needs to rectify an operational problem.
- A) Reliable
 - B) Fast
 - C) Operating
 - D) Marketing
- 75) An _____ emergency occurs when a supplier is in danger of missing a deadline due to the absence of a given commodity company urgently needs to rectify an operational problem.
- A) Reliable
 - B) Fast
 - C) Operating
 - D) Marketing
- 76) The airline that offers the highest _____ is most likely to have an available flight in the shortest time possible.
- A) Lot
 - B) Frequency
 - C) Possibility
 - D) Both A and C
- 77) It is absolutely no good to the _____ shipper if an airline has high flight _____ but its cargo space is fully booked for days or even weeks in advance.
- A) Fastest, Lot
 - B) Emergency, Frequency
 - C) Possibility, accessibility
 - D) Both A and C
- 78) The _____ segment presents the company with both problems and opportunities.
- A) Routine non-perishable
 - B) Emergency
 - C) Routine perishable
 - D) Both A and C
- 79) The _____ segment is worth targeting as it is often very high yielding.
- A) Emergency
 - B) Routine non-perishable
 - C) Routine perishable
 - D) Both A and C
- 80) Meeting the needs of customers in the _____ segment may be very demanding and a costly task.
- A) Routine non-perishable
 - B) Routine perishable
 - C) Emergency
 - D) Both A and C
- 81) Unless the cargo department is prepared to make significant commitment to the _____ freight segment it would be well advised not to target this segment at all.
- A) Routine non-perishable
 - B) Routine perishable
 - C) Emergency
 - D) Both A and C
- 82) Cargo is considered _____ if it meets the one of the following two criteria: If it is not of emergency or if it will only remain saleable for a limited period.
- A) Routine non-perishable
 - B) Routine perishable
 - C) Emergency
 - D) Both A and C
- 83) In the context of airfreight, CIF stands for: _____.
- A) Concept Insurance and Freight
 - B) Cost Insurance and Freight
 - C) Consignments insurance and Freight
 - D) Costs and Free Insurance

- 84) Two types of perishability exist in international air freight: _____ and _____ perishability.
- Operating, Marketing
 - Physical, economic
 - Operating, Physical
 - Marketing, economic
- 85) Cargo that falls into the category of _____ perishability literally physically deteriorates after a given time span has expired.
- marketing
 - Physical
 - economic
 - operating
- 86) Cargo which falls into the category of _____ perishability only remains saleable when its life span is short.
- marketing
 - Physical
 - economic
 - operating
- 87) Because _____ cargo requires air transportation on a seasonal basis, airlines are left with a surplus capacity during the off season, when demand is lower.
- Routine non-perishable
 - Routine perishable
 - Emergency
 - Both A and B
- 88) Both _____ and _____ Perishable market segments are very important to the modern airfreight industry.
- Operating, Marketing
 - Emergency, routine
 - Operating, Physical
 - Marketing, economic
- 89) If a company is to succeed in the cargo transportation business, it is essential that it can demonstrate the _____ and overall _____ of air transportation to shippers of the type of freight.
- Superiority, value
 - Seriousness, demand
 - Willingness, Value
 - Zeal, demand
- 90) The company targeting the segment of _____ airfreight faces an uphill struggle.
- Routine non-perishable
 - Routine perishable
 - Emergency
 - Both A and B
- 91) Unlike the goods in the other segments _____ goods can quite easily be sent via considerable cheaper land and sea transport alternatives without deteriorating in any way, or losing value.
- Routine non-perishable
 - Routine perishable
 - Emergency
 - Both A and B
- 92) The cargo marketer must therefore persuade the shipper that the advantages of the more _____ airfreight alternative outweighs the difference in _____.
- Cheaper, value
 - Expensive, cost
 - Cheaper, investment
 - Both A and C
- 93) All but one of the following are key monitoring elements on the shipper's attitudes towards the company's cargo operations.
- An increase in inbound calls
 - Increased activity on the company website
 - More complaints about the services offered by your company
 - Downloads of your eBrochures
- 94) Where _____ perishable goods are concerned, it is often possible to be aware, in advance, of when the need for a shipment will occur.
- Economically
 - Physically
 - Marketing
 - Operational

- 95) All but one of the following are types of cargo for which there is proven airfreight market.
- A) High value/kilo shipments
 - B) Urgent shipments
 - C) Perishables and newspapers
 - D) Parcels and letters
- 96) From question 95) above, which of the following services are required for airfreight shipments as above?
- A) Fast transport regardless of price
 - B) Slower transport with lower price
 - C) Safe and careful handling
 - D) Loading and unloading facilities
- 97) All but one of the following are factors that may place limitations on the marketing possibilities that can be used to target certain market segments.
- A) Dangerous goods
 - B) Restricted items
 - C) Size, dimensions and weight
 - D) Valuable cargo
- 98) All but one of the following are companies that are more likely to use airfreight.
- A) Specialty shops
 - B) Manufacturers of high technology articles
 - C) Ship-owners
 - D) Customs authorities
- 99) Airfreight is grouped into all but one of the following Target groups.
- A) Emergency Traffic
 - B) Routine Perishable
 - C) Routine Non-Perishable
 - D) Valuable Cargo
- 100) The most reliable source of statistics on target market information is own statistics.
- A) True.
 - B) False.

End of Paper