**TRUE/FALSE (5 questions)**

**Indicate whether the following sentences or statements are true or false.**

|  |  |  |
| --- | --- | --- |
| 1. | \_\_\_\_\_\_\_ | Companies spend millions of dollars annually working to establish a loyal consumer base. |
| 2. | \_\_\_\_\_\_\_ | Most consumers are willing to pay more for a product when they purchase from a brand they trust. |
| 3. | \_\_\_\_\_\_\_ | Consumers’ perception about a brand has no influence on consumers become loyal customers. |
| 4. | \_\_\_\_\_\_\_ | Once a brand has established a high level of loyalty, it becomes more unlikely that the customer will buy the products of competing brands. |
| 5. | \_\_\_\_\_\_\_ | Approximately 70% of consumers define brand loyalty as being a repeat buyer. |

## MULTIPLE CHOICE (5 questions)

**Identify the letter of the choice that best completes the statement or answers the question.**

\_\_\_\_\_\_\_1. Which of the following companies have a high level of brand loyalty?

a. Apple b. Netflix

c. Amazon d. All of the above

\_\_\_\_\_\_\_ 2. A variety of factors can influence levels of brand loyalty including:

a. convenience b. brand image

c. connection d. All of the above

\_\_\_\_\_\_\_ 3. \_\_\_\_\_\_\_\_describes consumer preferences for a particular brand as compared to competitor products or services.

a. brand awareness b. brand image

c. brand loyalty d. All of the above

\_\_\_\_\_\_\_ 4. Many consumers choose to support brands that demonstrate high levels of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a. corporate responsibility b. customer service

c. quality products d. All of the above

\_\_\_\_\_\_\_ 5. Which of the following statement best describes why brand loyalty is important to a business?

a. Because businesses don’t need customer service when they have high levels of brand loyalty.

b. Because customers who are loyal to a brand are also likely to follow the business on social media.

c. Because it is easier to generate sales from an existing customer base than to find new customers.

d. All of the above

## SHORT ANSWER (2 questions)

1. What is one example of consumer behavior that demonstrates brand loyalty?

2. In the space below, provide one example of how a business can build brand loyalty.