TEST BANK

FIFTH EDITION

essentials of marketing research

ZIKMUND • BABIN

TRUE/FALSE

1. When the price of an airline ticket increases as more seats are sold, this is an example of dynamic pricing.

   ANS: T   PTS: 1   DIF: Moderate   REF: p. 27
   OBJ: 02-1
   NAT: AACSB Reflective Thinking| CB&E Model Pricing| Blooms Comprehension

2. Data, information, and intelligence all have the potential to create value to the firm through better decision making.

   ANS: T   PTS: 1   DIF: Moderate   REF: p. 28
   OBJ: 02-1
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

3. Sensing systems can be used to monitor traffic flow through a mall parking lot.

   ANS: T   PTS: 1   DIF: Moderate   REF: p. 28
   OBJ: 02-1   NAT: AACSB Technology| CB&E Model Research| Blooms Comprehension

4. Data are a subset of market intelligence.

   ANS: F
   Market intelligence is the subset of data and information.   There is more data then information, and more information than intelligence.

   PTS: 1   DIF: Moderate   REF: p. 28   OBJ: 02-1
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

5. Timely data are the most current data.

   ANS: F
   While the most current data are most likely the most timely and relevant, timely data can be older as well.   It just can't be so old that they are not relevant.

   PTS: 1   DIF: Hard   REF: p. 30   OBJ: 02-2
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

6. One way to describe marketing research is to categorize it based on the four possible functions it serves in business: foundational, testing, issues, and validation.

   ANS: F
   One way to describe marketing research is to categorize it based on the four possible functions it serves in business: foundational, testing, issues, and *performance*.

   PTS: 1   DIF: Moderate   REF: p. 31   OBJ: 02-3
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

7. The purpose of a decision support system is to store data and transform data into information that is easily accessible to marketing managers.

ANS: T   PTS: 1   DIF: Moderate   REF: p. 32
OBJ: 02-3   NAT: AACSB Technology| CB&E Model Research| Blooms Knowledge

8. The goal of a CRM system is to describe customer relationships so that managers can access information themselves.

ANS: T   PTS: 1   DIF: Moderate   REF: p. 32
OBJ: 02-3
NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

9. A data warehouse is the multitiered computer storehouse of current and historical data.

ANS: T   PTS: 1   DIF: Moderate   REF: p. 33
OBJ: 02-3   NAT: AACSB Technology| CB&E Model Research| Blooms Knowledge

10. Input data can come from internal sources of the organization, but not from external sources.

ANS: F
Input data come from both internal and external sources.

PTS: 1   DIF: Moderate   REF: p. 33   OBJ: 02-3
NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

11. Proprietary marketing research is available to anyone via the Internet.

ANS: F
Proprietary marketing research is the gathering of new data to investigate specific problems and is otherwise not available.

PTS: 1   DIF: Moderate   REF: p. 34   OBJ: 02-3
NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

12. An organization's salesforce frequently provides important marketing intelligence information.

ANS: T   PTS: 1   DIF: Moderate   REF: p. 34
OBJ: 02-3
NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

13. Global information systems allow management to track the whereabouts of delivery personnel.

ANS: F
This describes global positioning satellite (GPS) systems.

PTS: 1   DIF: Moderate   REF: p. 35   OBJ: 02-3
NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

14. Scanner data is collected when consumers check out at stores.

ANS: T   PTS: 1   DIF: Moderate   REF: p. 35
OBJ: 02-3
NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

15. Web tracking is illegal.

    ANS: F
    Web tracking is a legal activity in which marketing researchers monitor trends and information posted by consumers that pertains to the company's brand or products.

    PTS: 1   DIF: Hard   REF: p. 35   OBJ: 02-3
    NAT: AACSB Ethics| CB&E Model Research| Blooms Comprehension

16. Electronic data interchange (EDI) refers to linking computerized data sources to statistical tools that can search for predictive relationships and trends which allow more accurate predictions of consumers' opinions and actions.

    ANS: F
    This describes predictive analytics.   EDI systems integrate one company's computer system directly with another company's system.

    PTS: 1   DIF: Moderate   REF: p. 37   OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Research| Blooms Knowledge

17. Foxnews.com is an example of a content provider on the World Wide Web.

    ANS: T   PTS: 1   DIF: Hard   REF: p. 38
    OBJ: 02-3
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Application

18. Data and information can be delivered to consumers or other end users via either primary technology or secondary technology.

    ANS: F
    Data and information can be delivered via either *pull* technology or *push* technology.

    PTS: 1   DIF: Moderate   REF: p. 40   OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Research| Blooms Knowledge

19. Researchers use tracking analytics by taking information from consumers' actual archived behavior along with preference data to model sales levels that can be achieved.

    ANS: F
    Researchers use predictive analytics to perform this task.

    PTS: 1   DIF: Hard   REF: p. 41   OBJ: 02-4
    NAT: AACSB Technology| CB&E Model Research| Blooms Comprehension

20. Types of databases include statistical databases, financial databases, and video databases.

    ANS: T   PTS: 1   DIF: Moderate   REF: p. 36
    OBJ: 02-5
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

MULTIPLE CHOICE

1. Facts or recorded measures of certain phenomena (things or events) are known as _____.
    a. data
    b. information
    c. market intelligence
    d. knowledge

    ANS: A   PTS: 1   DIF: Moderate   REF: p. 28
    OBJ: 02-1
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

2. Which of the following is a subset of data and information that actually has some explanatory power enabling effective decisions to be made?
    a. knowledge
    b. intellectual capital
    c. market intelligence
    d. decision support system

    ANS: C   PTS: 1   DIF: Moderate   REF: p. 28
    OBJ: 02-1
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

3. Which of the following is a characteristic of valuable information?
    a. global
    b. completeness
    c. objective
    d. all of these choices

    ANS: B   PTS: 1   DIF: Hard   REF: p. 28
    OBJ: 02-2
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

4. The characteristic of data reflecting how pertinent these particular facts are to the situation at hand is called ____.
    a. relevance
    b. timeliness
    c. completeness
    d. significance

    ANS: A   PTS: 1   DIF: Moderate   REF: p. 29
    OBJ: 02-1
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

5. A researcher has assessed the reliability and validity of his data and is comfortable in thinking the data accurately matches reality.   Which characteristic of valuable information does this best describe?
    a. relevance
    b. completeness
    c. quality
    d. timeliness

    ANS: C   PTS: 1   DIF: Hard   REF: p. 29
    OBJ: 02-2
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Application

6. Some experts claim that the life cycle of technology products is approximately 18 months, meaning the industry changes that rapidly.   This rate of change in environmental and competitive factors is an example of _____.
   a. entropy
   b. history snuffing
   c. timeliness
   d. market dynamism

   ANS: D   PTS: 1   DIF: Hard   REF: p. 30
   OBJ: 02-2
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Application

7. Merck, a pharmaceutical company, places a tiny chip on drug packaging to track its product from the manufacturing plant to the consumer to ensure the product flows through the proper distribution channel and safety for consumers.   The tiny chip is an application of which technology?
   a. RFID
   b. smart technology
   c. market dynamism
   d. GPS

   ANS: A   PTS: 1   DIF: Hard   REF: p. 30
   OBJ: 02-2   NAT: AACSB Technology| CB&E Model Research| Blooms Application

8. Which technology works like a WiFi system communicating with specific devices within a defined space like inside of a retail unit?
   a. RFID
   b. NFC
   c. DDS
   d. DIOD

   ANS: B   PTS: 1   DIF: Moderate   REF: p. 31
   OBJ: 02-2   NAT: AACSB Technology| CB&E Model Research| Blooms Knowledge

9. All of the following are functions supported by marketing research EXCEPT _____.
   a. testing
   b. foundational
   c. compliance
   d. performance

   ANS: C   PTS: 1   DIF: Hard   REF: p. 31
   OBJ: 02-3
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Comprehension

10. Harold is conducting marketing research to determine what consumer segment his company should serve with its services.   Which function is this marketing research serving?
    a. testing
    b. issues
    c. foundational
    d. performance

    ANS: C   PTS: 1   DIF: Moderate   REF: p. 32
    OBJ: 02-3
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Application

11. A computer-based system that helps decision makers confront problems through direct interaction with databases and systems is known as a(n) _____.
    a. Internet
    b. Intranet
    c. decision support system (DSS)
    d. global positioning satellite system

    ANS: C   PTS: 1   DIF: Moderate   REF: p. 32
    OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

12. Which part of the decision support system addresses exchanges between the firm and its customers?
    a. customer relationship management (CRM) system
    b. data warehouse
    c. global information system (GIS)
    d. intellectual capital system

    ANS: A   PTS: 1   DIF: Moderate   REF: p. 32
    OBJ: 02-3
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

13. An organization's mailing list of current customers is an example of _____.
    a. a cookie
    b. software
    c. a database
    d. a hyperlink

    ANS: C   PTS: 1   DIF: Moderate   REF: p. 33
    OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

14. Which of the following is a process that allows important day-to-day operational data to be stored and organized for simplified access?
    a. global information system
    b. data warehousing
    c. proprietary marketing research
    d. keyword search

    ANS: B   PTS: 1   DIF: Moderate   REF: p. 33
    OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

15. An organization's inventory figures are a good example of:
    a. cookies
    b. internal records
    c. external records
    d. CRM

    ANS: B   PTS: 1   DIF: Moderate   REF: p. 33
    OBJ: 02-3
    NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Application

16. Who can provide data to a decision support system?
    a. production managers
    b. marketing researchers

c. accountants
d. all of these choices

ANS: D   PTS: 1   DIF: Easy   REF: p. 33
OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Comprehension

17. Which source of input data is represented when a company conducts marketing research to identify the characteristics of its customers?
a. internal records
b. proprietary marketing research
c. salesperson input
d. behavioral tracking

ANS: B   PTS: 1   DIF: Hard   REF: p. 34
OBJ: 02-3
NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Application

18. Accumulated records resulting form point-of-sale data recordings are known as _____.
a. scanner data
b. multiple-source data
c. cookies
d. environmental scanning data

ANS: A   PTS: 1   DIF: Moderate   REF: p. 35
OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

19. Which of the following is an example of behavioral tracking?
a. product sales histories
b. test market results
c. supermarket scanner data
d. survey findings

ANS: C   PTS: 1   DIF: Moderate   REF: p. 35
OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Application

20. _____ is the bar-coded information that contains product information that can be read by optical scanners.
a. RFID
b. NFC
c. CRM
d. UPC

ANS: D   PTS: 1   DIF: Moderate   REF: p. 35
OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

21. Procter & Gamble regularly monitors trends and information posted about their products and brands by consumers on several Web sites.   Which source of data input does this represent?
a. scanner data
b. Internet records
c. behavioral tracking
d. Web tracking

22. LEXIS-NEXIS is a company that puts together consortia of data sources into packages that are offered to municipal, corporate, and university libraries for a fee.   LEXIS-NEXIS is an example of a:
    a. data compiler
    b. data wholesaler
    c. data warehouse
    d. data miner

23. CompuStat, which publishes financial data, such as income statements and balance sheets, is an example of which type of database?
    a. statistical database
    b. financial database
    c. video database
    d. electronic interchange database

24. The type of exchange that occurs when one company's computer system is integrated with another companys' system is called _____.
    a. electronic data interchange (EDI)
    b. radio frequency exchanged (RFE)
    c. electronic synergy
    d. realtime communication

25. When Wal-Mart transmits information electronically each day to Wrangler jeans about unit sales of this product in its retail outlets so that Wrangler can replenish Wal-Mart's inventory on an as-needed basis, this is an example of _____.
    a. cookies
    b. EDI
    c. the Internet
    d. data transference

26. Parties that furnish information on the World Wide Web are called _____.
    a. browsers
    b. content providers
    c. search engines
    d. Intranets

ANS: B   PTS: 1   DIF: Moderate   REF: p. 38
OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

27. A Web site address that Web browsers recognize is called a(n) _____.
    a. URL
    b. EDI
    c. DSS
    d. UPC

    ANS: A   PTS: 1   DIF: Moderate   REF: p. 38
    OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

28. Yahoo! and Google are examples of _____.
    a. home pages
    b. search engines
    c. ISPs
    d. CRMs

    ANS: B   PTS: 1   DIF: Moderate   REF: p. 38
    OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Application

29. A(n) _____ searches through the Internet almost instantly looking for content containing specific words.
    a. environmental scan
    b. history sniff
    c. web crawl
    d. keyword search

    ANS: D   PTS: 1   DIF: Easy   REF: p. 39
    OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

30. Karl is searching "digital cameras" in Google to learn more about the brands available and prices for each. Karl is performing a(n) _____.
    a. predictive analysis
    b. keyword search
    c. environmental scan
    d. history sniff

    ANS: B   PTS: 1   DIF: Moderate   REF: p. 39
    OBJ: 02-3
    NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Application

31. Melanie is using the Internet to gather information designed to detect changes in her company's external operating environment. What is Melanie performing?
    a. environmental scanning
    b. behavioral tracking
    c. search engine marketing
    d. electronic data interchange

    ANS: A   PTS: 1   DIF: Hard   REF: p. 39
    OBJ: 02-3

32. In which type of technology does the consumer request information from a Web page and the browser
     then determines a response?
     a. Intranet
     b. push technology
     c. pull technology
     d. interactive technology

     ANS: C   PTS: 1   DIF: Moderate   REF: p. 40
     OBJ: 20-3
     NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

33. When amazon.com recommends books for purchase when a customer who has ordered books from
     Amazon previously returns to the site, this is an example of _____.
     a. push technology
     b. electronic data interchange
     c. pull technology
     d. a URL

     ANS: A   PTS: 1   DIF: Hard   REF: p. 40
     OBJ: 02-3
     NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Application

34. When an Internet user sets up his computer so that it will send him regular news about his favorite
     professional football team, this is an example of the application of _____.
     a. predictive analysis
     b. pull technology
     c. smart agent software
     d. open data partnership

     ANS: C   PTS: 1   DIF: Hard   REF: p. 40
     OBJ: 02-3
     NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Application

35. When you visit Web sites, most likely a small computer file that records your Web usage history is
     created. This small computer file is called a(n) _____.
     a. electronic data exchange
     b. cookie
     c. URL
     d. Intranet

     ANS: B   PTS: 1   DIF: Hard   REF: p. 40
     OBJ: 02-3
     NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Application

36. Most companies use a private data network that uses Internet standards and technology but only allows
     those individuals whom the organization deems as appropriate participants to access data. This is an
     example of a(n) _____.
     a. Intranet
     b. smart network
     c. internal source
     d. content provider

     ANS: A   PTS: 1   DIF: Moderate   REF: p. 40

37. Talbot's, a women's clothing retailer, sent Laurie an email notifying her of one the sweaters they are offering this year in a style and color she had searched for on its Web site during last season's clearance sale but was unable to purchase in her size.   Talbot's was linking computerized data sources to statistical tools to search for predictive relationships to enable more effective marketing communications, which is an example of:
   a. electronic data interchange
   b. Web tracking
   c. pull technology
   d. predictive analytics

   ANS: D   PTS: 1   DIF: Hard   REF: p. 41

38. Amie has an app on her iPhone that allows her to check in with her friends when she goes out.   Her friends see this information on her Facebook page and on their phones.   This type of technology is a(n) _____.
   a. interpersonal technology
   b. RFID
   c. near field communication (NFC) technology
   d. geolocation technology

   ANS: D   PTS: 1   DIF: Hard   REF: p. 41

39. The Federal Trade Commission is concerned over consumers' privacy after learning that behavioral tracking companies can covertly discover and record the websites that consumers visit.   This activity is called _____.
   a. history sniffing
   b. scraping
   c. phishing
   d. predictive analytics

   ANS: A   PTS: 1   DIF: Hard   REF: p. 41

40. One way to address ethical issues related to data technology is by using a(n) _____, which gives consumers access to the information collected from their Web behavior and even provides them an opportunity to edit the information.
   a. electronic data interchange
   b. predictive analytic
   c. pull technology
   d. open data partnership

   ANS: D   PTS: 1   DIF: Moderate   REF: p. 42

COMPLETION

1. In information technology, _____ is data formatted (structured) to support decision-making or define the relationship between two facts.

   ANS: information

   PTS: 1   DIF: Moderate   REF: p. 28   OBJ: 02-1
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

2. When a marketing manager has sufficient information to make a good decision, the information is said to be _____.

   ANS: complete

   PTS: 1   DIF: Moderate   REF: p. 29   OBJ: 02-2
   NAT: AACSB Reflective Thinking| CB&E Model Research| Blooms Knowledge

3. A computer-based system that helps marketing managers to solve problems through interaction with databases is known as a _____.

   ANS:
   decision support system (DSS)
   decision support system
   DSS

   PTS: 1   DIF: Moderate   REF: p. 32   OBJ: 02-3
   NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

4. A decision support system that gathers information about customers such as sales history and customer preferences is known as a(n) _____ system.

   ANS:
   customer-relationship management (CRM)
   customer-relationship management
   CRM

   PTS: 1   DIF: Moderate   REF: p. 32   OBJ: 02-3
   NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

5. Numerical, text, voice, and image data that enter a decision support system are known as _____.

   ANS: input

   PTS: 1   DIF: Moderate   REF: p. 33   OBJ: 02-3
   NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

6. _____ data refers to the accumulated records resulting from point of sale data recordings.

   ANS: Scanner

   PTS: 1   DIF: Moderate   REF: p. 35   OBJ: 02-3
   NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

7. A(n) _____ occurs when one company's computer system is integrated with another company's computer system.

ANS:
electronic data interchange (EDI)
electronic data interchange
EDI

PTS: 1   DIF: Moderate   REF: p. 37   OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

8. _____ information is a term that captures structured data openly shared between companies.

ANS: Open source

PTS: 1   DIF: Moderate   REF: p. 38   OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

9. Parties that furnish information on the World Wide Web are called _____.

ANS: content providers

PTS: 1   DIF: Moderate   REF: p. 38   OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

10. A Web site address that Web browsers recognize is called a(n) _____.

ANS:
Uniform Resource Locator (URL)
Uniform Resource Locator
URL

PTS: 1   DIF: Moderate   REF: p. 38   OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

11. _____ software is capable of learning an Internet user's preferences and automatically searching out information and distributing the information to a user's computer.

ANS: Smart agent

PTS: 1   DIF: Moderate   REF: p. 40   OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

12. A company's private computer network that uses Internet standard but which is accessible only by its own employees is known as a(n) _____.

ANS: Intranet

PTS: 1   DIF: Moderate   REF: p. 40   OBJ: 02-3
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

13. _____ refers to linking computerized data sources to statistical tools that can search for predictive relationships and trends which allow more accurate prediction of consumers' opinions and actions.

ANS: Predictive analytics

PTS: 1   DIF: Moderate   REF: p. 41   OBJ: 02-4
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

14. Foursquare allows users to check into bars, restaurants, or theaters through their mobile phones so that others can know where the user is.   This is an example of _____ technologies.

ANS: geolocation

PTS: 1   DIF: Hard   REF: p. 41   OBJ: 02-6
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Application

15. ____ is a term for activities that covertly discover and record the websites that a consumer visits.

ANS: History sniffing

PTS: 1   DIF: Moderate   REF: p. 41   OBJ: 02-6
NAT: AACSB Technology| CB&E Model Online/Computer| Blooms Knowledge

ESSAY

1. Going from data to information to intelligence is like a funnel.   Explain what that means.

ANS:
Data are simply facts or recorded measures of certain phenomena (things or events).   **Information** is data formatted (structured) to support decision making or define the relationship between two facts.   **Market intelligence** is the subset of data and information that actually has some explanatory power enabling effective decisions to be made.   So, there is more data than information, and more information than intelligence.

PTS: 1   DIF: Hard   REF: p. 28   OBJ: 02-1
NAT: AACSB Communication| CB&E Model Research| Blooms Comprehension

2. A manager is considering purchasing data from an outside vendor to get a better understanding of the target market for his firm's services.   What factors should the manager consider when evaluating the data's usefulness for his needs?

ANS:
The four characteristics that help determine how valuable data may be are:

Relevance - reflects how pertinent these particular facts are to the situation at hand.   Relevant data are facts about things that can be changed, and if they are changed, it will materially alter the situation.
Completeness - refers to having the right amount of information.
Quality - reflects how accurately the gathered data actually match reality.
Timeliness - means the data are not so old that they are irrelevant.

PTS: 1   DIF: Hard   REF: p. 29   OBJ: 02-2
NAT: AACSB Communication| CB&E Model Research| Blooms Application

3. Explain what a decision support system (DSS) is and how it helps marketing managers.

ANS:

A **marketing decision support system (DSS)** is a system that helps decision makers confront problems through direct interaction with computerized databases and analytical software programs. The purpose of a DSS is to store data and transform them into organized information that is easily accessible to marketing managers. Doing so saves mangers time so that decisions that might take days or even weeks otherwise can be made in minutes using a DSS. A DSS requires both databases and software. Modern decision support systems greatly facilitate customer relationship management (CRM), which is a system that is part of the DSS that address exchanges between the firm and its customers.

PTS: 1   DIF: Moderate   REF: p. 32   OBJ: 02-3
NAT: AACSB Communication| CB&E Model Online/Computer| Blooms Knowledge

4. Compare and contrast pull technology and push technology and describe and example of each.

ANS:
Data and information can be delivered to consumers or other end users via either pull technology or push technology. Conventionally, **pull technology** refers to consumers requesting information from a Web page and the browser then determines a response. Thus, the consumer is essentially asking for the data. For example, the consumer visits a website seeking information. In this case, it is said to be pulled through the channel. The opposite of pull is push. **Push technology** sends data to a user's computer without a request being made. In other words, software is used to guess what information might be interesting to consumers based on the patterns of previous responses. Push technology allows personalized information to be delivered to consumers without the need for them to even be physically at their Internet device. For example, readers can set up personal home pages at the *Wall Street Journal's* website that allows them to set up what information they want to appear on the page (e.g., stock information; media information, etc.).

PTS: 1   DIF: Moderate   REF: p. 40   OBJ: 02-3
NAT: AACSB Communication| CB&E Model Online/Computer| Blooms Knowledge

5. Define predictive analytics and discuss a marketing researcher's job in predictive analytics.

ANS:
Broadly speaking, **predictive analytics** refers to linking computerized data sources to statistical tools that can search for predictive relationships and trends which allow more accurate prediction of consumers' opinions and actions. Software companies like SPSS and SAS offer products that both look for data and then use statistical tools to reveal key predictive relationships. A marketing researcher's job in predictive analytics is twofold: (1) identify the key sources of information that may create predictive intelligence and (2) use analytic tools to build predictive models.

PTS: 1   DIF: Moderate   REF: p. 41   OBJ: 02-4
NAT: AACSB Communication| CB&E Model Online/Computer| Blooms Knowledge

6. List the four factors to consider regarding the ethics of data gathered through technological means.

ANS:
1. Has the consumer implicitly or explicitly consented to being traced?
2. Does the tracking behavior violate any explicit or implicit contracts or agreements?
3. Can researchers enable users to know what information is available to data miners?
4. Do the benefits to consumers from tracking their behavior balance out any potential invasion of their privacy?

PTS: 1   DIF: Hard   REF: p. 42   OBJ: 02-6
NAT: AACSB Communication| CB&E Model Online/Computer| Blooms Comprehension